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April 27, 1998

VIA HAND DELIVERY

N. Bradley Litchfield, Esq.
Associate General Counsel for Policy
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Request for Advisory Opinion

Dear Mr. Litchfield:

On behalf of American Oncology Resources, Inc. ("AOR"), we hereby request an advisory opinion pursuant to the Federal Election Campaign Act ("FECA"), 2 U.S.C. § 437f, and Federal Election Commission ("FEC" or "the Commission") regulations, 11 C.F.R. § 112. Specifically, we respectfully request that the Commission confirm our belief that a separate segregated fund to be established by AOR will be able to solicit contributions from the executive and administrative personnel of the physician practice groups affiliated with AOR.

Statement of Facts

AOR is a national physician practice management company that provides comprehensive services to an integrated network of affiliated oncology physician practice groups.[1] As of December 31, 1997, AOR provided comprehensive management services under long-term contracts with 34 affiliated physician practice groups in 16 states.

AOR is planning to establish a separate segregated fund ("SSF"). In order to maximize the contributor base for this new SSF, AOR would like to be able to solicit contributions from the executive and administrative personnel – principally the oncologists – employed by its affiliated physician practice groups. AOR's relationship with its affiliated physician practice groups is a complex one, due largely to the fact that the laws of most states prohibit physicians from

[1] AOR was incorporated in October 1992 under the laws of the state of Delaware and has its principal executive offices in Houston, Texas.

splitting professional fees with non-physicians and prohibit non-physician entities, such as AOR, from employing physicians to practice medicine.[2] Because of these corporate-practice-of-medicine statutes, AOR cannot simply acquire physician practice groups and manage them as wholly owned subsidiaries. Instead, AOR and physician practice groups that wish to affiliate themselves with AOR must execute a series of transactions.

The typical candidate for affiliation with AOR is a large oncology practice that is organized as a professional association ("PA") and has recognized the need for outside managerial, financial and business expertise to more efficiently manage the increasingly complex, burdensome and time-consuming non-medical aspects of their practice. These PAs own both medical and non-medical assets and employ both medical and non-medical personnel.

When a PA affiliates with AOR, AOR buys the PA's non-medical assets and employs the PA's non-medical personnel. AOR also enters into a long-term management agreement with the PA's successor. In consideration of these arrangements, AOR typically pays cash and promissory notes and agrees to deliver shares of its common stock to the affiliated physicians at specified future dates. In addition, each affiliated physician and the physician group enter into an employment agreement containing customary non-competition and liquidating damages terms. AOR believes that the delivery of shares on a delayed basis, AOR's affiliation structure and the compensation formulas defined in the management agreements all serve to align the long-term interests of the affiliated physicians with those of AOR.

All of the management agreements with the affiliated physicians groups have contractual terms of 40 years. These agreements cannot be terminated by the physician groups without cause. As consideration for AOR's management services, each management agreement provides for payment to AOR of a management fee, which typically includes all practice costs (other than amounts retained by physicians), a fixed fee, an amount equal to a percentage of the affiliated physician group's net revenue (in most states) and, if certain financial criteria are satisfied, a performance fee. In the event the physician group breaches the agreement, the physician group must purchase the related assets owned by AOR, including the unamortized portion of the management agreement asset, at book value.

AOR provides management services that extend to all business aspects of an oncology group's operations. After establishing an oncology group affiliation, AOR begins implementing the following policies, procedures and systems necessary to provide the management services contemplated by its management agreement with the group:

Strategic Services. At each affiliated practice, a policy board composed of equal representation from AOR and affiliated physicians is created to develop and adopt a strategic plan designed to improve the performance of the practices by (i) outlining physician recruiting goals, (ii) identifying services and equipment to be added, (iii) identifying desirable payor

[2] See, e.g., Medical Practice Act, Tex. Rev. Civ. Stat. art. 4495b (1997); Sampson v. Baptist Memorial Hospital System, 940 S.W.2d 128, 137 n.6 (Tex. App. 1996)(noting that the prohibition on the corporate practice of medicine is the law in all states except Nebraska and Missouri).

relationships and other oncology groups that are possible affiliation candidates, and (iv) facilitating communication with other affiliated physician groups in the AOR network.

Financial Services. AOR provides comprehensive financial analysis to each affiliated physician group in connection with managed care contracting and billing, collection, reimbursement, tax and accounting services and also implements its cash management system. In addition, AOR and the affiliated physician group jointly develop a comprehensive budget that involves the adoption of financial controls and cost containment measures.

Management Information Systems. AOR implements its management information system to facilitate and organize the exchange of clinical and operational information among AOR's affiliated physicians. AOR believes that an integrated information system will enable AOR and its affiliated physicians to identify effective protocols and manage the costs of cancer care in future years.

Administrative Services. AOR manages the facilities used by the affiliated physicians and, in consultation with the physicians, determines the number and location of practice sites. AOR is implementing its integrated management information system to support practice management, billing functions and patient record keeping. AOR also provides comprehensive purchasing services for drugs, supplies, equipment, insurance and other costs. In addition, AOR provides the regulatory expertise to assist the group in complying with increasingly complex laws and regulations applicable to oncology practices.

Personnel Management. AOR employs and manages all non-medical personnel of the physician group, including the executive director, controller and other administrative personnel. AOR evaluates these employees, makes staffing decisions, provides and manages employee benefits and implements personnel policies and procedures. AOR also provides similar administrative services to the physician group's employees.

Clinical Research Services. Through its clinical research network, AOR facilitates clinical research conducted by its affiliated physician groups and markets the groups' ability to perform and manage clinical trials to pharmaceutical and biotechnology companies. Clinical research conducted by the oncology groups focuses on (i) improving cancer survival rates, (ii) enhancing the cancer patient's quality of life, (iii) reducing the costs of cancer care and (iv) developing new approaches to cancer diagnosis, treatment and post-treatment monitoring. AOR believes that a well-managed clinical research program enhances its affiliated oncologists' reputations and AOR's ability to recruit new physicians.

Clinical Initiatives and Standards. AOR organizes clinical conferences for its affiliated physicians to discuss and identify clinical care, research and educational strategies for AOR's network of affiliated physicians. AOR also assists its affiliated physicians in developing clinical practice guidelines for the different types of cancer and in operating in accordance with standards of care required for accreditation by the Joint Committee on Accreditation of Health Care Organizations and other managed care accreditation bodies. AOR is also implementing a clinical

information system with the goal of facilitating the exchange of information among affiliated physicians, permitting them to share clinical data and treatment patterns and allowing ready access to current patient care as well as studies regarding cancer therapies and research developments.

AOR-affiliated oncologists are employed by the affiliated physician group, not AOR, and maintain control over all aspects of the provision of medical care to their patients. AOR does not provide medical care to patients or employ any of the non-physician personnel of its affiliated physician groups who provide medical care. However, under the terms of the management agreements with the affiliated physician groups, AOR is responsible for the compensation and benefits of the groups' non-physician medical personnel. Each affiliated oncologist also enters into an option agreement that enables an AOR affiliate to purchase, at any time and with or without cause, such oncologist's ownership interest in the AOR-affiliated physician practice group.

Discussion of Authority

As you know, FECA and Commission regulations allow a corporation (or its separate segregated fund) to solicit contributions from "the executive or administrative personnel of its subsidiaries, branches, divisions, and affiliates and their families." 11 C.F.R. § 114.5(g)(1). See also 2 U.S.C. § 441b(b)(6). Neither FECA nor Commission regulations define specifically what constitutes an "affiliate" of a corporation. Instead, the Commission determines on a case-by-case basis whether an organization is an affiliate of a corporation by referring to the factors used to determine affiliation between political committees. 11 C.F.R. § 100.5(g)(4)(ii) (A)-(J).

Among the factors that the Commission has found establish affiliation between a corporation and another organization are (1) whether the corporation has the authority or ability to direct or participate in the governance of another organization through provisions of constitutions, bylaws, contracts, or other rules, or through practices and procedures; (2) whether the corporation has the authority or ability to hire, appoint, demote, or otherwise control the officers or other decision-making employees or members of another organization; and (3) whether the corporation had an active or significant role in the formation of another organization. 11 C.F.R. §§ 100.5(g)(4)(ii)(B), (C), and (I). See also Advisory Opinion 1992-7.

In a long series of advisory opinions, the Commission has found affiliation to exist on the basis of a corporation's control over the business policies, practices, and procedures of an entity and the extent of the entity's contractual obligations to the corporation. See Advisory Opinions 1992-7, 1990-22, 1988-46, 1985-31, 1979-38, 1978-61, and 1977-70. But see Advisory Opinion 1985-7 (degree of influence a corporation held over its wholesale distributors was insufficient to establish affiliation where the relationship had "the characteristics of a typical business contract between two independent and separate entities, as distinguished from the relationship where one entity exercises pervasive supervision and direction over the daily operations and business policies of another entity such as a franchisee.").

Based on these precedents, we strongly believe that the physician practice groups affiliated with AOR are "affiliates" of a corporation within the meaning of 11 C.F.R. § 114.5(g)(1). The management agreement between AOR and each of its affiliated physician practice groups provides AOR with day-to-day control of essentially all of the *business* policies, practices and procedures of the affiliated physician groups, leaving the physicians free to practice medicine. In addition, the physician practice groups have extensive, long-term contractual obligations to AOR.

First, the management agreement between AOR and its affiliated physician practice groups provides AOR with both the authority and the ability to participate in the governance of the practice groups. 11 C.F.R. § 100.5(g)(4)(ii)(B). Pursuant to the management agreement, AOR:

- Develops a strategic plan that (i) outlines physician recruiting goals, (ii) identifies services and equipment to be added, (iii) identifies desirable payor relationships and other oncology groups that are possible affiliation candidates, and (iv) facilitates communication with other affiliated physician groups in the AOR network.

- Provides each affiliated physician group with managed care contracting and billing, collection, reimbursement, tax, accounting, and cash management services. In addition, AOR develops a comprehensive budget for each affiliated physician group that involves the adoption of financial controls and cost containment measures.

- Manages the facilities used by the affiliated physicians and, in consultation with the physicians, determines the number and location of practice sites.

- Provides comprehensive purchasing services for drugs, supplies, equipment, insurance and other costs.

- Facilitates clinical research conducted by its affiliated physician groups and markets the groups' ability to perform and manage clinical trials to pharmaceutical and biotechnology companies.

Second, AOR has both the authority and the ability to hire, fire, demote or otherwise control members of the physician practice groups. 11 C.F.R. § 100.5(g)(4)(ii)(C). AOR employs and manages all non-medical personnel of each affiliated physician group, including the executive director, controller and other administrative personnel. AOR evaluates these employees, makes staffing decisions, provides and manages employee benefits and implements personnel policies and procedures. In addition, pursuant to the management agreement, AOR is responsible for the compensation and benefits of all of the physician practice groups' medical personnel other than the physicians. Finally, pursuant to the option agreement, an AOR affiliate has the right to purchase, at any time and with or without cause, each affiliated physician's ownership interest in the affiliated physician practice group.

Third, AOR plays an active role in the formation of the physician practice groups. 11 C.F.R. § 100.5(g)(4)(ii)(I). Indeed, because of the corporate-practice-of-medicine statutes mentioned above, existing physician practice groups must be dissolved and reconstituted before they can become affiliated with AOR. AOR-affiliated physician practice groups would, therefore, not exist in their current form but for their affiliation with AOR.

Finally, AOR-affiliated physician practice groups have extensive, long-term contractual obligations to AOR. All of AOR's management agreements with affiliated physician practice groups have contractual terms of 40 years. These agreements cannot be terminated by the physician groups without cause. As consideration for AOR's management services, each management agreement provides for payment to AOR of a management fee, which typically includes all practice costs (other than amounts retained by physicians), a fixed fee, an amount equal to a percentage of the affiliated physician group's net revenue (in most states) and, if certain financial criteria are satisfied, a performance fee. In the event the physician group breaches the agreement, the physician group must purchase the related assets owned by AOR, including the unamortized portion of the management agreement asset, at book value.

Concluding that AOR-affiliated physician practice groups are "affiliates" of AOR within the meaning of 11 C.F.R. § 114.5(g)(1) would be entirely consistent with the Commission's prior advisory opinions on the corporate affiliation issue. Indeed, the Commission has found affiliation in circumstances less compelling than those found here. In Advisory Opinion 1985-31, for example, the Commission found that individual insurance agencies were "affiliates" of an insurance company because the insurance company was contractually obligated to provide the individual agencies with marketing services and financial and management assistance significantly less comprehensive than those required by the management agreement between AOR and its affiliated physician practice groups.

Accordingly, we respectfully request that the Commission confirm that (1) AOR-affiliated physician practice groups are "affiliates" of AOR within the meaning of 11 C.F.R. § 114.5(g)(1), and (2) that AOR (or an AOR SSF) may solicit voluntary political contributions from the executive and administrative personnel of AOR-affiliated physician practice groups.

Sincerely,

Brett G Kappel

For Powell, Goldstein, Frazer & Murphy LLP
Counsel to American Oncology Resources, Inc.

POWELL, GOLDSTEIN, FRAZER & MURPHY LLP

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May 5, 1998

N. Bradley Litchfield, Esq.
Associate General Counsel for Policy
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: AOR Advisory Opinion Request

Dear Mr. Litchfield:

In response to your April 29, 1998 e-mail message, attached please find photocopies of (1) the certificate of incorporation of America Oncology Resources, Inc. ("AOR") and all subsequent amendments thereto, (2) AOR's original by-laws and all subsequent amendments thereto, and (3) a typical management services agreement between AOR and an AOR-affiliated physicians group.

In the interest of expediting our advisory opinion request, I have provided you with photocopies of corporate governance documents that AOR filed with the Securities and Exchange Commission on May 15, 1997 as exhibits to a 10-Q form. Because these documents were filed electronically, they do not bear the physical signatures of the signatories. If the Commission requires photocopies of the original documents showing the actual signatures, please let me know and we will be happy to provide them.

Similarly, the attached management services agreement between Oncology and Hematology Management Partnership and Oklahoma Oncology & Hematology, P.C. was filed with the Securities and Exchange Commission on June 6, 1995 as an exhibit to Form S-1. In accordance with your e-mail message, the management services agreement has been redacted to protect sensitive financial data, but is otherwise typical of the management services agreements between AOR and AOR-affiliated physician groups.

You may wish to review Article IV of the management services agreement, which delineates in detail the services that AOR provides to its affiliated physician groups. The purpose of Article IV, you will note, is to ensure that AOR provides "all Management Services as are necessary and appropriate for the day-to-day administration of the business" operations of the physician group.

* The articles of incorporation & by-laws are not circulated since they have little relevance, if any, to the affiliation issue requested. Item (3) is circulated. SA 5-7-98

I hope that these documents will allow you to provide us with an advisory opinion within the timeframe established by 11 C.F.R. § 112.4. If you need any further information, please do not hesitate to contact me at the above address.

Sincerely,

Brett G. Kappel

FOR POWELL, GOLDSTEIN, FRAZER & MURPHY LLP
Counsel to American Oncology Resources, Inc.

Enclosures

::ODMA\PCDOCS\WSH\81542\1

MANAGEMENT SERVICES AGREEMENT

BY AND BETWEEN

ONCOLOGY AND HEMATOLOGY MANAGEMENT PARTNERSHIP, A TEXAS GENERAL PARTNERSHIP

AND

OKLAHOMA ONCOLOGY & HEMATOLOGY, P.C.
AN OKLAHOMA PROFESSIONAL CORPORATION

EFFECTIVE MARCH 1, 1995

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MANAGEMENT SERVICES AGREEMENT

THIS MANAGEMENT SERVICES AGREEMENT is made and entered into effective as of March 1, 1995, by and between Oncology and Hematology Management Partnership, a Texas general partnership ("Business Manager"), and Oklahoma Oncology & Hematology, P.C., an Oklahoma professional corporation ("New PC").

RECITALS

This Management Services Agreement is made with reference to the following facts:

A. New PC is a validly existing Oklahoma professional corporation, formed for and engaged in the conduct of a medical practice and the provision of medical services to the general public in and around the Tulsa, Oklahoma City, Norman, Bartlesville, and Stillwater, Oklahoma metropolitan areas through individual physicians who are licensed to practice medicine in the State of Oklahoma and who are employed or otherwise retained by New PC.

B. Business Manager is a validly existing Texas general partnership, which has been duly formed to manage the business aspects of the medical practice of New PC.

C. New PC desires to focus its energies, expertise and time on the practice of medicine and on the delivery of medical services to patients, and to accomplish this goal it desires to delegate the increasingly more complex business functions of its medical practice to persons with business expertise.

D. New PC wishes to engage Business Manager to provide such management, administrative and business services as are necessary and appropriate for the day-to-day administration of the nonmedical aspects of New PC's medical practice in the Practice Territory (as defined below), and Business Manager desires to provide such services all upon the terms and conditions hereinafter set forth.

E. New PC and Business Manager have determined a fair market value for the services to be rendered by Business Manager, and based on this fair market value, have developed a formula for compensation for Business Manager that will allow the parties to establish a relationship permitting each party to devote its skills and expertise to the appropriate responsibilities and functions.

F. Business Manager is willing to commit significant resources to New PC based upon the expectation that the current shareholders of New PC will continue to practice medicine for New PC in the Practice Territory for five (5) years from the effective date of this Management Services Agreement.

NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions hereinabove and hereinafter set forth, the parties agree as follows:

ARTICLE I. DEFINITIONS

For the purposes of this Management Services Agreement, the following terms shall have the following meanings ascribed thereto, unless otherwise clearly required by the context in which such term is used.

Section 1.1 Adjusted Gross Revenue. The term "Adjusted Gross Revenue" shall mean the sum of Professional Services Revenue and Ancillary Revenue.

Section 1.2 Adjustments. The term "Adjustments" shall mean any adjustments on an accrual basis for uncollectible accounts, Medicare, Medicaid and other payor contractual adjustments, discounts, workers' compensation adjustments, professional courtesies, and other reductions in collectible revenue that result from activities that do not result in collectible charges.

Section 1.3 Ancillary Revenue. The term "Ancillary Revenue" shall mean all other revenue actually recorded each month (net of Adjustments) that is not Professional Services Revenues or Capitation Revenue and shall include (a) any amounts received by New PC as liquidated damages under Section 4.2 or Section 4.3 of any Physician's employment agreement and (b) any amounts paid to New PC under any Physician's Note (as defined in the Master Transaction Agreement) that has been assigned or has been deemed to have been assigned to New PC under the terms of Section 2.05 of the Master Transaction Agreement.

Section 1.4 Base Management Fee. The term "Base Management Fee" shall mean the amount set forth in Section 6.1.

Section 1.5 Budget. The term "Budget" shall mean an operating budget and capital expenditure budget for each fiscal year as prepared by Business Manager and adopted by New PC.

Section 1.6 Business Manager. The term "Business Manager" shall mean Oncology and Hematology Management Partnership, a Texas general partnership or any entity that succeeds to the interests of Oncology and Hematology Management Partnership, a Texas general partnership and to whom the obligations of Business Manager are assigned and transferred.

Section 1.7 Business Manager Consent. The term "Business Manager Consent" shall mean the consent granted by Business Manager's representatives (or either representative) to the Policy Board created pursuant to Article III herein. When any provision of this Management Services Agreement requires Business Manager Consent, Business Manager Consent shall not be unreasonably withheld and shall be binding on Business Manager.

Section 1.8 Business Manager Expense. The term "Business Manager Expense" shall mean an expense or cost incurred by the Business Manager and for which the Business Manager, and not New PC, is financially liable. Business Manager Expense shall specifically include the

costs of American Oncology Resources, Inc. ("AOR") corporate personnel and the travel costs of such corporate personnel. Third party expenses incurred by Business Manager or AOR that directly benefit New PC may be allocated to Office Expense.

Section 1.9 Capitation Revenues. The term "Capitation Revenues" shall mean all collections from managed care organizations or third party payors where such payment is made periodically on a per member basis for the partial or total medical needs of a subscribing patient. Capitation Revenues shall include any co-payments and incentive bonuses received as a result of a capitation plan. Capitation Revenues shall be allocated between Professional Services Revenue and Ancillary Revenue.

Section 1.10 Confidential Information. The term "Confidential Information" shall mean any information of Business Manager or New PC, as appropriate (whether written or oral), including all notes, studies, patient lists, information, forms, business or management methods, marketing data, fee schedules, or trade secrets of the Business Manager or of New PC, as applicable, whether or not such Confidential Information is disclosed or otherwise made available to one party by the other party pursuant to this Management Services Agreement. Confidential Information shall also include the terms and provisions of this Management Services Agreement and any transaction or document executed by the parties pursuant to this Management Services Agreement. Confidential Information does not include any information that (i) is or becomes generally available to and known by the public (other than as a result of an unpermitted disclosure directly or indirectly by the receiving party or its affiliates, advisors, or Representatives); (ii) is or becomes available to the receiving party on a nonconfidential basis from a source other than the furnishing party or its affiliates, advisors, or Representatives, provided that such source is not and was not bound by a confidentiality agreement with or other obligation of secrecy to the furnishing party of which the receiving party has knowledge at the time of such disclosure; or (iii) has already been or is hereafter independently acquired or developed by the receiving party without violating any confidentiality agreement with or other obligation of secrecy to the furnishing party.

Section 1.11 GAAP. The term "GAAP" shall mean generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity or other practices and procedures as may be approved by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of the determination. For purposes of this Management Services Agreement, GAAP shall be applied on an accrual basis in a manner consistent with the historic practices of the person to which the term applies.

Section 1.12 Management Fee. The term "Management Fee" shall mean Business Manager's compensation established as described in Article VI hereof.

Section 1.13 Management Services. The term "Management Services" shall mean the business, administrative, and management services to be provided for New PC, including without limitation the provision of equipment, supplies, support services, nonmedical personnel, office space, management, administration, financial recordkeeping and reporting, and other business office services.

Section 1.14 Management Services Agreement. The term "Management Services Agreement" shall mean this Management Services Agreement by and between New PC and Business Manager and any amendments hereto as may be adopted as provided in this Management Services Agreement.

Section 1.15 Master Transaction Agreement. The term "Master Transaction Agreement" shall mean the agreement effective as of March 1, 1995, by and between American Oncology Resources, Inc. ("AOR"), AOR Management Company of Oklahoma, Cancer Care Associates, Inc., New PC, George W. Schnetzer, III, M.D., John M. Sexauer, M.D., Alan M. Keller, M.D., James A. Young, M.D., Charles M. Strnad, M.D., John B. Benear, II, M.D., Kevin S. Weibel, D.O., Brian V. Geister, M.D., Gregory A. Parker, M.D., Charles W. Hollen, M.D., William L. Hughes, M.D., Christopher A. Puckett, M.D., Craig L. Reitz, M.D., Michael J. Keefer, M.D., Ronald B. Kubica, M.D., Marll J. Weber, M.D., and Aleda A. Toma, M.D.

Section 1.16 Medical Services. The term "Medical Services" shall mean medical care and services, including but not limited to the practice of hematology and oncology and all related health care services provided by New PC through New PC's Physicians and other health care providers that are retained by or professionally affiliated with New PC.

Section 1.17 New PC. The term "New PC" shall mean Oklahoma Oncology & Hematology, P.C., an Oklahoma professional corporation.

Section 1.18 New PC Account. The term "New PC Account" shall mean the bank account of New PC established as described in Sections 4.8 and 4.9.

Section 1.19 New PC Consent. The term "New PC Consent" shall mean the consent granted by New PC's representatives (or either representative) to the Policy Board created pursuant to Article III herein. When any provision of this Management Services Agreement requires New PC Consent, New PC Consent shall not be unreasonably withheld and shall be binding on New PC.

Section 1.20 New PC Expense. The term "New PC Expense" shall mean an expense incurred by the Business Manager or New PC and for which New PC, and not the Business Manager, is financially liable. New PC Expense shall include such items as Physician salaries, benefits, and other direct costs (including professional dues, subscriptions, continuing medical education expenses, and travel costs for continuing medical education or other business travel but excluding business travel requested by Business Manager or AOR, which shall be an Office Expense). In the event New PC incurs consulting, accounting or legal fees without coordinating such engagement through Business Manager, all fees and expenses so incurred shall be New PC Expenses.

Section 1.21 Office. The term "Office" shall mean any office space, clinic, facility, including satellite facilities, that Business Manager shall own or lease or otherwise procure for the use of New PC.

Section 1.22 Office Expense. The term "Office Expense" shall mean all operating and nonoperating expenses incurred by the Business Manager or New PC in the provision of services to New PC. Office Expense shall not include any State or federal income tax, any CCA Medical Assets or Toma Medical Assets (each as defined in the Master Transaction Agreement), any payment by AOR on the Note (as defined in Section 1.44 of the Master Transaction Agreement), or any other expense that is a New PC Expense or a Business Manager Expense. Without limitation, Office Expense shall include:

(a) the salaries, benefits, and other direct costs of all employees of Business Manager at the Office and the salaries, benefits, and other direct costs of the nonphysician employees of New PC, but not the salaries, benefits, or other direct costs of the Physicians;

(b) the direct cost of any employee or consultant that provides services at or in connection with the Office for improved clinic performance, such as management, billing and collections, business office consultation, accounting and legal services, but only when such services are coordinated by Business Manager;

(c) reasonable recruitment costs and out-of-pocket expenses of Business Manager or New PC associated with the recruitment of additional physician employees of New PC;

(d) malpractice insurance expenses for Physicians, Business Manager employees, and nonphysician employees and comprehensive and general liability insurance covering the Office and employees of New PC and Business Manager at the Office;

(e) the expense of using, leasing, purchasing or otherwise procuring the Office and related equipment, including depreciation but not including monies paid by third parties;

(f) the cost of capital (whether as actual interest on indebtedness incurred on behalf of New PC or as reasonable imputed interest on capital advanced by Business Manager, which shall be equal to the average cost of borrowing by AOR as reflected on its most recent published financial statements) to finance or refinance obligations of New PC, purchase medical or nonmedical equipment, or finance new ventures of New PC;

(g) the Base Management Fee;

(h) costs related to Capitation Revenue allocated by the Policy Board for the purchase of professional medical services or health care services from medical or health care providers not associated with New PC;

(i) the reasonable travel expenses (except for the corporate staff of AOR) associated with attending meetings, conferences, or seminars to benefit New PC; and

(j) the cost of medical supplies (including but not limited to drugs, pharmaceuticals, products, substances, items, or medical devices), office supplies, inventory, and utilities other than those medical supplies or medical inventory owned by New PC on the date of this Management Services Agreement.

Section 1.23 Performance Fee. The term "Performance Fee" shall mean the amount payable to the Business Manager, if any, determined under Section 6.2, as a Management Fee based upon the Business Manager assisting New PC to achieve certain pre-determined performance criteria.

Section 1.24 Physician. The term "Physician" shall mean each individually licensed professional who is employed or otherwise retained by or associated with New PC, each of whom shall meet at all times the qualifications described in Section 5.2 and Section 5.3.

Section 1.25 Practice Territory. The term "Practice Territory" shall mean the geographic area within a radius of thirty (30) miles of any current or future facility from which New PC provides Medical Services in Oklahoma, representing the geographic boundaries of the medical practice conducted by New PC.

Section 1.26 Professional Services Revenues. The term "Professional Services Revenues" shall mean the sum of-(i) all professional fees actually recorded each month on an accrual basis under GAAP (net of Adjustments) as a result of professional medical services and related health care services rendered by the shareholders and physician employees of New PC, whether rendered in an outpatient or inpatient setting, and (ii) Capitation Revenues allocated to Professional Services Revenues.

Section 1.27 Representatives. The term "Representatives" shall mean a party's officers, directors, employees, or other agents or representatives.

Section 1.28 State. The term "State" shall mean the State of Oklahoma.

Section 1.29 Term. The term "Term" shall mean the initial and any renewal periods of duration of this Management Services Agreement as described in Section 7.1.

ARTICLE II. APPOINTMENT AND AUTHORITY OF BUSINESS MANAGER

Section 2.1 Appointment. New PC hereby appoints Business Manager as its sole and exclusive agent for the management, and administration of the business functions and business affairs of New PC, and Business Manager hereby accepts such appointment, subject at all times to the provisions of this Management Services Agreement.

Section 2.2 Authority. Consistent with the provisions of this Management Services Agreement, Business Manager shall have the responsibility and commensurate authority to provide Management Services for New PC. Subject to the terms and conditions of this Management Services Agreement, Business Manager is hereby expressly authorized to provide the Management Services in any reasonable manner Business Manager deems appropriate to meet the day-to-day requirements of the business functions of New PC. Business Manager is also expressly authorized to negotiate and execute on behalf of New PC contracts that do not relate to the provision of Medical Services. New PC shall give Business Manager thirty (30) days prior notice of New PC's intent to execute any agreement obligating New PC to perform Medical Services or otherwise creating a binding legal obligation on New PC. Unless an expense is expressly designated as a Business Manager Expense in this Management Services

Agreement, all expenses incurred by Business Manager in providing services pursuant to this Management Services Agreement shall be an Office Expense. The parties acknowledge and agree that New PC, through its Physicians, shall be responsible for and shall have complete authority, responsibility, supervision, and control over the provision of all Medical Services and other professional health care services performed for patients, and that all diagnoses, treatments, procedures, and other professional health care services shall be provided and performed exclusively by or under the supervision of Physicians as such Physicians, in their sole discretion, deem appropriate. Business Manager shall have and exercise absolutely no control or supervision over the provision of Medical Services.

Section 2.3 Patient Referrals. Business Manager and New PC agree that the benefits to New PC hereunder do not require, are not payment for, and are not in any way contingent upon the referral, admission, or any other arrangement for the provision of any item or service offered by Business Manager to patients of New PC in any facility, laboratory, infusion center, or health care operation controlled, managed, or operated by Business Manager.

Section 2.4 Internal Management of New PC. Matters involving the internal management, control, or finances of New PC, including specifically the allocation of professional income among the shareholders and Physician employees of New PC, tax planning, and investment planning, shall remain the responsibility of New PC and the shareholders of New PC.

Section 2.5 Practice of Medicine. The parties acknowledge that Business Manager is not authorized or qualified to engage in any activity that may be construed or deemed to constitute the practice of medicine. To the extent any act or service herein required by Business Manager should be construed by a court of competent jurisdiction or by the Oklahoma State Board of Medical Licensure and Supervision to constitute the practice of medicine, the requirement to perform that act or service by Business Manager shall be deemed waived and unenforceable.

ARTICLE III. RESPONSIBILITIES OF THE POLICY BOARD

Section 3.1 Formation and Operation of the Policy Board. The parties hereby establish a Policy Board which shall be responsible for developing and implementing management and administrative policies for the overall operation of New PC's facilities. The Policy Board shall consist of four (4) members. Business Manager shall designate, in its sole discretion, two (2) members of the Policy Board. New PC shall designate, in its sole discretion, two (2) members of the Policy Board. The Policy Board members selected by New PC shall be full-time physician employees of New PC practicing in the Practice Territory. Each party's representatives to the Policy Board shall have the authority to make decisions on behalf of the respective party. Except as may otherwise be provided, the act of a majority of the members of the Policy Board shall be the act of the Policy Board.

Section 3.2 Duties and Responsibilities of the Policy Board. The Policy Board shall have the following duties, obligations, and authority:

(a) Capital Improvements and Expansion. Any renovation and expansion plans and capital equipment expenditures with respect to New PC's facilities shall be reviewed and approved by the Policy Board and shall be based upon economic feasibility, physician support, productivity and then current market conditions.

(b) Marketing and Advertising. All marketing and other advertising of the services performed at New PC's facilities shall be subject to the prior review and approval of the Policy Board.

(c) Patient Fees; Collection Policies. As a part of the annual operating budget, in consultation with New PC and Business Manager, the Policy Board shall review and approve the fee schedule and collection policies for all physician and ancillary services rendered by New PC.

(d) Ancillary Services. The Policy Board shall approve New PC-provided ancillary services based upon the pricing, access to and quality of such services.

(e) Provider and Payor Relationships. Decisions regarding the establishment or maintenance of relationships with institutional health care providers and third party payors shall be approved by the Policy Board in consultation with New PC. The Policy Board shall review and approve discounted fee schedules, including capitated fee arrangements, and shall allocate revenue generated from capitation contracts.

(f) Strategic Planning. The Policy Board shall develop long-term strategic planning objectives.

(g) Capital Expenditures. The Policy Board shall determine the priority of major capital expenditures.

(h) Physician Hiring. The Policy Board shall recommend to New PC the number and type of physicians required for the efficient operation of New PC's facilities. The Policy Board shall review and approve any variations to the restrictive covenants in any physician employment contract.

(i) Fee Dispute Resolution. Upon submission by New PC of a dispute concerning a set-off or reduction in Management Fees, the Policy Board shall consider, develop, and implement a resolution to New PC and Business Manager.

(j) Grievance Referrals. The Policy Board shall consider and make recommendations to New PC regarding grievances pertaining to matters not specifically addressed in this Management Services Agreement as referred to it by New PC's Board of Directors.

Section 3.3 Medical Decisions. Despite the above listing of activities and areas of interest, all medical decisions will be made solely by physicians, but nonphysician members of the Policy Board may participate in the discussion process. The physician members of the Policy Board shall review and resolve issues relating to:

(a) Types and levels of Medical Services to be provided;

(b) Recruitment of physicians to New PC, including the specific qualifications and specialties of recruited physicians;

(c) Acquisition of or merger with any other medical practices in the Practice Territory;

(d) Fee schedules; and

(e) Any other function or decision that the parties agree is medical related.

The Policy Board meetings shall be held as mutually agreed, but at least quarterly, in Oklahoma. Meetings shall be open to any shareholder in New PC.

Section 3.4 Formation of Oklahoma Oncology Associates. If New PC becomes a partner in Oklahoma Oncology Associates ("OOA") pursuant to Section 2.05 of the Master Transaction Agreement, the Policy Board formed pursuant to Section 3.1 of this Management Services Agreement shall be terminated, and the Policy Board shall be replaced by the Joint Policy Board formed pursuant to the Affiliation Agreement (as defined in the Master Transaction Agreement). In addition, New PC agrees that it shall fully cooperate with Business Manager to obtain a provider number for OOA that it shall cease to use its provider number when OOA obtains a provider number, and that it shall begin to use the provider number of OOA.

ARTICLE IV. COVENANTS AND RESPONSIBILITIES OF BUSINESS MANAGER

During the Term, Business Manager shall provide all Management Services as are necessary and appropriate for the day-to-day administration of the business aspects of New PC's operations, including without limitation those set forth in this Article IV in accordance with all law, rules, regulations and guidelines applicable to the provision of Management Services.

Section 4.1 Office and Equipment.

(a) Subject to Section 4:1(b), as necessary and appropriate, taking into consideration the professional concerns of New PC, Business Manager shall lease, acquire or otherwise procure an Office in a location or locations reasonably acceptable to New PC and shall permit New PC to use the Office. Any Office procured by Business Manager for the use by New PC shall be procured at commercially reasonable rates. Any move from New PC's present practice location(s) shall be done only after Business Manager has received New PC's Consent.

(b) In the event New PC is the lessee of the Office under a lease with an unrelated and nonaffiliated lessor, Business Manager may require New PC to assign such lease to Business Manager upon receipt of consent from the lessor. New PC shall use its best efforts to assist in obtaining the lessor's consent to the assignment. Upon request, New PC shall execute any instruments and shall take any acts that Business Manager may deem necessary to accomplish the assignment of the lease. Any expenses incurred in the assignment shall be Office Expenses.

(c) Business Manager shall provide all nonmedical equipment, fixtures, office supplies, furniture and furnishings deemed reasonably necessary by Business Manager for the operation of the Office and reasonably necessary for the provision of Medical Services.

(d) Business Manager shall provide, finance, or cause to be provided or financed medical related equipment as required by New PC. Subject to economic feasibility, New PC shall have final authority in all medical equipment selections, and Business Manager shall have no authority in regard to medical equipment selection issues. Business Manager may, however, advise New PC on the relationship between its medical equipment decisions and the overall administrative and financial operations of the practice. All medical and nonmedical equipment, other than physician-owned automobiles, acquired for the use of New PC shall be owned by Business Manager.

(e) Business Manager shall be responsible for the repair and maintenance of the Office, consistent with Business Manager's responsibilities under the terms of any lease or other use arrangement, and for the repair, maintenance, and replacement of all equipment other than such repairs, maintenance and replacement necessitated by the negligence or willful misconduct of New PC, its Physicians or other personnel employed by New PC, the repair or replacement of which shall be a New PC Expense and not an Office Expense.

Section 4.2 Medical Supplies. Business Manager shall order, procure, purchase and provide on behalf of and as agent for New PC all reasonable medical supplies unless otherwise prohibited by federal and/or State law. Furthermore, Business Manager shall ensure that the Office is at all times adequately stocked with the medical supplies that are necessary and appropriate for the operation of New PC and required for the provision of Medical Services. The ultimate oversight, supervision and ownership for all medical supplies is and shall remain the sole responsibility of New PC. As used in this provision the term "medical supplies" shall mean all drugs, pharmaceuticals, products, substances, items or devices whose purchase, possession, maintenance, administration, prescription or security requires the authorization or order of a licensed health care provider or requires a permit, registration, certification or other governmental authorization held by a licensed health care provider as specified under any federal and/or State law.

Section 4.3 Support Services. Business Manager shall provide or arrange for all printing, stationery, forms, postage, duplication or photocopying services, and other support services as are reasonably necessary and appropriate for the operation of the Office and the provision of Medical Services therein.

Section 4.4 Quality Assurance, Risk Management, and Utilization Review. Business Manager shall assist New PC in New PC's establishment and implementation of procedures to ensure the consistency, quality, appropriateness, and medical necessity of Medical Services provided by New PC, and shall provide administrative support for New PC's overall quality assurance, risk management, and utilization review programs. Business Manager shall perform these tasks in a manner to ensure the confidentiality and nondiscoverability of these program actions to the fullest extent allowable under State and federal law.

Section 4.5 Licenses and Permits. Business Manager shall, on behalf of and in the name of New PC, coordinate all development and planning processes, and apply for and use reasonable efforts to obtain and maintain all federal, State, and local licenses and regulatory permits required for or in connection with the operation of New PC and equipment (existing and future) located at the Office, other than those relating to the practice of medicine or the administration of drugs by Physicians retained by or associated with New PC.

Section 4.6 Personnel. Except as specifically provided in Section 5.2(b) of this Management Services Agreement, Business Manager shall, consistent with the Budget, employ or otherwise retain and shall be responsible for selecting, hiring, training, supervising, and terminating, all management, administrative, clerical, secretarial, bookkeeping, accounting, payroll, billing and collection and other nonprofessional personnel as Business Manager deems reasonably necessary and appropriate for Business Manager's performance of its duties and obligations under this Management Services Agreement. Business Manager shall have sole responsibility for determining the salaries and providing such fringe benefits, and for withholding, as required by law, any sums for income tax, unemployment insurance, social security, or any other withholding required by applicable law or governmental requirement.

Section 4.7 Contract Negotiations. Upon the request of New PC, Business Manager shall advise New PC with respect to and negotiate, either directly or on New PC's behalf, as appropriate, all contractual arrangements with third parties as are reasonably necessary and appropriate for New PC's provision of Medical Services, including, without limitation, negotiated price agreements with third party payors, alternative delivery systems, or other purchasers of group health care services. No contract or arrangement regarding the provision of Medical Services or the payment therefor shall be entered into without New PC Consent.

Section 4.8 Billing and Collection. On behalf of and for the account of New PC, Business Manager shall establish and maintain credit and billing and collection policies and procedures, and shall timely bill and collect all professional and other fees for all billable Medical Services provided by New PC, or Physicians employed or otherwise retained by New PC. Business Manager shall advise and consult with New PC regarding the fees for Medical Services provided by New PC; it being understood, however, that New PC shall establish the fees to be charged for Medical Services and that Business Manager shall have no authority whatsoever with respect to the establishment of such fees. In connection with the billing and collection services to be provided hereunder, and throughout the Term (and thereafter as provided in Section 7.3), New PC hereby grants to Business Manager an exclusive special power of attorney and appoints Business Manager as New PC's exclusive true and lawful agent and attorney-in-fact, and Business Manager hereby accepts such special power of attorney and appointment, for the following purposes:

(a) To bill New PC's patients, in New PC's name and on New PC's behalf, for all billable Medical Services provided by New PC to patients.

(b) To bill, in New PC's name and on New PC's behalf, all claims for reimbursement or indemnification from Blue Shield/Blue Cross, insurance companies, Medicare, Medicaid, and all other third party payors or fiscal intermediaries for all covered billable Medical Services provided by New PC to patients.

(c) To collect and receive in Business Manager's name and for Business Manager's account all accounts receivable of New PC purchased by Business Manager, and to deposit such collections in an account selected by Business Manager and maintained in Business Manager's name.

(d) To collect and receive, in New PC's name and on New PC's behalf, all accounts receivable generated by such billings and claims for reimbursement that have not been purchased by Business Manager, to administer such accounts including, but not limited to, (i) extending the time of payment of any such accounts for cash, credit or otherwise; (ii) discharging or releasing the obligors of any such accounts; (iii) with the consent of the Policy Board, suing, assigning or selling at a discount such accounts to collection agencies; or (iv) with the consent of the Policy Board, taking other measures to require the payment of any such accounts.

(e) To deposit all amounts collected into New PC Account which shall be and at all times remain in New PC's name. New PC covenants to transfer and deliver to Business Manager for deposit into New PC Account or itself to make such deposit of all funds received by New PC from patients or third party payors for Medical Services. Upon receipt by Business Manager of any funds from patients or third party payors or from New PC pursuant hereto for Medical Services, Business Manager shall immediately deposit same into the New PC Account. Business Manager shall disburse such deposited funds to creditors and other persons on behalf of New PC, maintaining records of such receipt and disbursement of funds as directed by New PC.

(f) To take possession of, endorse in the name of New PC, and deposit into the New PC Account any notes, checks, money orders, insurance payments, and any other instruments received in payment for Medical Services.

(g) To sign checks, drafts, bank notes or other instruments on behalf of New PC, and to make withdrawals from the New PC Account for payments specified in this Management Services Agreement and as requested from time to time by New PC.

Upon request of Business Manager, New PC shall execute and deliver to the financial institution wherein the New PC Account is maintained, such additional documents or instruments as may be necessary to evidence or effect the special and limited power of attorney granted to Business Manager by New PC pursuant to this Section 4.8 or pursuant to Section 4.9 of this Management Services Agreement. The special and limited power of attorney granted herein shall be coupled with an interest and shall be irrevocable except with Business Manager's written consent. The irrevocable power of attorney shall expire on the later of when this Management Services Agreement has been terminated, when all accounts receivable purchased by Business Manager have been collected, or when all Management Fees due to Business Manager have been paid. If Business Manager assigns this Management Services Agreement in accordance with its terms, then New PC shall execute a power of attorney in favor of the assignee and in the form of Exhibit 4.8 attached hereto.

Section 4.9 New PC Account.

(a) Power of Attorney. Business Manager shall have access to the New PC Account solely for the purposes stated herein. In connection herewith and throughout the Term (and thereafter as provided in Section 7.3), New PC hereby grants to Business Manager an exclusive special power of attorney for the purposes herein and appoints Business Manager as New PC's exclusive true and lawful agent and attorney-in-fact, and Business Manager hereby accepts such special power of attorney and appointment, to deposit into the New PC Account all funds, fees, and revenues generated from the New PC's provision of Medical Services and collected by Business Manager, and to make withdrawals from New PC Account for payments specified in this Management Services Agreement and as requested from time-to-time by New PC. Notwithstanding the exclusive special power of attorney granted to Business Manager hereunder, New PC may, upon reasonable advance notice to Business Manager, draw checks on the New PC Account; provided, however, that New PC shall neither draw checks on the New PC Account nor request Business Manager to do so if the balance remaining in the New PC Account after such withdrawal would be insufficient to enable Business Manager to pay on behalf of New PC any Office Expense attributable to the operations of New PC or to the provision of Medical Services, and/or any other obligations of New PC. Disbursements made without prior New PC Consent shall be consistent with the type and amount of expenditures authorized by the Budget. Limits on authority to sign checks and purchase orders shall be mutually agreed upon by Business Manager and New PC's representatives to the Policy Board (or Joint Policy Board).

(b) Priority of Payments. Each month Business Manager shall apply funds that are in the New PC Account in the following order of priority:

(1) [redacted]

(2)

(3)

(4)

(5)

Section 4.10 Fiscal Matters.

(a) Annual Budget.

(1) Initial Budget. The initial Budget shall be agreed upon by the parties before the execution of this Management Services Agreement. To assure that New PC receives the full amount of the charges for the provision of professional services, in the initial Budget, New PC shall retain for New PC Expenses twenty-three percent (23%) of the Adjusted Gross Revenue. The initial Budget shall set forth the criteria under which Business Manager shall be entitled to receive the Performance Fee and the Budget shall also set forth the amount of the Performance Fee.

(2) Process for Succeeding Budgets. Annually and at least thirty (30) days prior to the commencement of each fiscal year of New PC, Business Manager, in consultation with either one (1) of New PC's representatives to the Policy Board (or Joint Policy Board), shall prepare and deliver to New PC for New PC's approval a proposed Budget, setting forth an estimate of New PC's revenues and expenses for the upcoming fiscal year (including, without limitation, the Management Fee and Performance Fee associated with the services provided by Business Manager hereunder). New PC shall review the proposed Budget and either approve the proposed Budget or request any changes within fifteen (15) days after receiving the proposed Budget. The Budget shall be adopted by New PC after reasonable review and comment and may be revised or modified only in consultation with the Business Manager.

(3) Succeeding Budgets; Special Rates. In each succeeding Budget, unless the parties otherwise mutually agree, New PC shall continue to retain for New PC Expenses twenty-three percent (23%) of the Adjusted Gross Revenue. In each succeeding Budget, unless the parties otherwise mutually agree, the criteria for the Performance Fee and Business Manager's right to receive the Performance Fee shall be continued on the same basis. If the option is exercised pursuant to that certain Option Agreement of even date herewith between the shareholders of New PC and Lloyd K. Everson, M.D. such that Dr. Everson becomes the controlling shareholder of New PC, the amount of the Performance Fee and method of determining the Performance Fee for all succeeding years shall not be changed and shall be determined exactly as specified in the last Budget approved before the exercise of the option, and New PC shall continue to retain twenty-three percent (23%) of the Adjusted Gross Revenue for New PC Expense through the Term.

(4) Deadlock. In the event the parties are unable to agree on a Budget by the beginning of the fiscal year, until an agreement is reached, the Budget for the prior year shall be deemed to be adopted as the Budget for the current year, with each line item in the Budget (with the exception of the Base Management Fee) increased or decreased by (i) the percentage by which the Adjusted Gross Revenue in the current year has increased or decreased compared to the corresponding period of the prior year; (ii) the increase or decrease from the prior year in the Consumer Price Index - Health/Medical Services, Tulsa, Oklahoma area; and (iii) the proportionate increase or decrease in mutually agreed upon personnel costs as measured by the increase or decrease in full-time-equivalent personnel.

(5) Obligation of Business Manager. Business Manager shall use commercially reasonable efforts to manage and administer the operations of New PC as herein provided so that the actual revenues, costs and expenses of the operation and maintenance of New PC during any applicable period of New PC's fiscal year shall be consistent with the Budget.

(b) Accounting and Financial Records. Business Manager shall establish and administer accounting procedures, controls, and systems for the development, preparation, and safekeeping of administrative or financial records and books of account relating to the business and financial affairs of New PC and the provision of Medical Services all of which shall be

prepared and maintained in accordance with GAAP and applicable laws and regulations. Business Manager shall prepare and deliver to New PC, within ninety (90) days of the end of each calendar year, a balance sheet and a profit and loss statement reflecting the financial status of New PC in regard to the provision of Medical Services as of the end of such calendar year, all of which shall be prepared in accordance with GAAP consistently applied. In addition, Business Manager shall prepare or assist in the preparation of any other financial statements or records as New PC may reasonably request.

(c) Review of Expenditures. Either one of New PC's representatives to the Policy Board (or Joint Policy Board) shall review all expenditures related to the operation of New PC, but neither shall have the power to prohibit or invalidate any expenditure that is consistent with the Budget. Business Manager shall not have any authority to make any expenditures not consistent with the Budget without New PC Consent.

(d) Tax Matters.

(1) In General. Business Manager shall prepare or arrange for the preparation by an accountant approved in advance by New PC (which approval shall not be unreasonably withheld) of all appropriate tax returns and reports required of New PC.

(2) Sales and Use Taxes. Business Manager and New PC acknowledge and agree that to the extent that any of the services to be provided by Business Manager hereunder may be subject to any State sales and use taxes, Business Manager may have a legal obligation to collect such taxes from New PC and to remit same to the appropriate tax collection authorities. New PC agrees to pay in addition to the payment of the Management Fee, the applicable State sales and use taxes in respect of the portion of the Management Fees attributable to such services.

Section 4.11 Reports and Records.

(a) Medical Records. Business Manager shall establish, monitor, and maintain procedures and policies for the timely creation, preparation, filing and retrieval of all medical records generated by New PC in connection with New PC's provision of Medical Services; and, subject to applicable law, shall ensure that medical records are promptly available to Physicians and any other appropriate persons. All such medical records shall be retained and maintained in accordance with all applicable State and federal laws relating to the confidentiality and retention thereof. All medical records shall be and remain the property of New PC.

(b) Other Reports and Records. Business Manager shall timely create, prepare, and file such additional reports and records as are reasonably necessary and appropriate for New PC's provision of Medical Services, and shall be prepared to analyze and interpret such reports and records upon the request of New PC.

Section 4.12 Recruitment of New PC Physicians. Upon New PC's request, Business Manager shall perform all administrative services reasonably necessary and appropriate to recruit

potential physician personnel to become employees of New PC. Business Manager shall provide New PC with model agreements to document New PC's employment, retention or other service arrangements with such individuals. It will be and remain the sole and complete responsibility of New PC to interview, select, contract with, supervise, control and terminate all Physicians performing Medical Services or other professional services, and Business Manager shall have no authority whatsoever with respect to such activities.

Section 4.13 Confidential and Proprietary Information.

(a) Business Manager will not disclose any Confidential Information of New PC to other persons without New PC's express written authorization, such Confidential Information will not be used in any way directly or indirectly detrimental to New PC, and Business Manager will keep such Confidential Information confidential and will ensure that its affiliates and advisors who have access to such Confidential Information comply with these nondisclosure obligations; provided, however, that Business Manager may disclose Confidential Information to those of its Representatives who need to know Confidential Information for the purposes of this Management Services Agreement, it being understood and agreed to by Business Manager that such Representatives will be informed of the confidential nature of the Confidential Information, will agree to be bound by this Section, and will be directed by Business Manager not to disclose to any other person any Confidential Information. Business Manager agrees to be responsible for any breach of this Section by its affiliates, advisors, or Representatives. If Business Manager is requested or required (by oral questions, interrogatories, requests for information or documents, subpoenas, civil investigative demands, or similar processes) to disclose or produce any Confidential Information furnished in the course of its dealings with New PC or its affiliates, advisors, or Representatives, Business Manager will (i) provide New PC with prompt notice thereof and copies, if possible, and, if not, a description, of the Confidential Information requested or required to be produced so that New PC may seek an appropriate protective order or waive compliance with the provisions of this Section and (ii) consult with New PC as to the advisability of New PC's taking of legally available steps to resist or narrow such request. Business Manager further agrees that, if in the absence of a protective order or the receipt of a waiver hereunder Business Manager is nonetheless, in the written opinion of its legal counsel, compelled to disclose or produce Confidential Information concerning New PC to any tribunal legally authorized to request and entitled to receive such Confidential Information or to stand liable for contempt or suffer other censure or penalty, Business Manager may disclose or produce such Confidential Information to such tribunal without liability hereunder; provided, however, that Business Manager shall give New PC written notice of the Confidential Information to be so disclosed or produced as far in advance of its disclosure or production as is practicable and shall use its best efforts to obtain, to the greatest extent practicable, an order or other reliable assurance that confidential treatment will be accorded to such Confidential Information so required to be disclosed or produced.

(b) Notwithstanding clause (a) above, Business Manager may share, subject to the restrictions of this section, with other professional corporations, associations, medical practices, or health care delivery entities the practice statistics of New PC, including utilization review data, quality assurance data, cost data, outcomes data, or other practice data. The practice statistics may be disclosed within New PC, to AOR or AOR's management, to other medical groups with whom Business Manager has a management relationship, to managed care providers

or other third party payors for the purpose of obtaining or maintaining third-party payor contracts, or to financial analysts and underwriters; provided that any disclosure outside of New PC or AOR for any purpose not related to managed care contracting shall not identify any Physician by name without New PC Consent. In addition, Business Manager may disclose all practice-related information necessary or desirable in connection with any public or private offering of any AOR security, but no such data will disclose or divulge patient identifying information.

Section 4.14 Business Manager's Insurance. Throughout the Term, Business Manager shall, as an Office Expense, obtain and maintain with commercial carriers, through self-insurance or some combination thereof, appropriate worker's compensation coverage for Business Manager's employed personnel provided pursuant to this Management Services Agreement, and professional, casualty and comprehensive general liability insurance covering Business Manager, Business Manager's personnel, and all of Business Manager's equipment in such amounts, on such basis and upon such terms and conditions as Business Manager deems appropriate. Upon the request of New PC, Business Manager shall provide New PC with a certificate evidencing such insurance coverage. Business Manager may also carry, as an Office Expense, key person life and disability insurance on any shareholder or Physician employee of New PC in amounts determined reasonable and sufficient by Business Manager. Business Manager shall be the owner and beneficiary of any such insurance.

Section 4.15 No Warranty. New PC acknowledges that Business Manager has not made and will not make any express or implied warranties or representations that the services provided by Business Manager will result in any particular amount or level of medical practice or income to New PC.

Section 4.16 Noncompetition Covenant from Business Manager. Business Manager represents, warrants and covenants that during the Term, neither Business Manager nor any person or entity affiliated directly or indirectly with Business Manager will, anywhere in the Practice Territory, enter into a direct or indirect relationship similar to the relationship between New PC and Business Manager with, or acquire the nonmedical assets of, any medical oncology practice group without approval of the Policy Board.

Section 4.17 Additional Obligations of Business Manager. In addition to the duties and obligations specified above in sections 4.1-4.16, Business Manager shall perform the following:

(a) Within a reasonable period of time after execution of this Management Services Agreement, Business Manager shall, as an Office Expense, develop and implement data gathering and processing capabilities designed to assist New PC manage the cost of treatment for the major diagnoses treated by New PC. Business Manager shall use such capabilities and the information obtained therefrom to assist New PC obtain and maintain managed care contracts (including, but not limited to, capitation and global pricing arrangements).

(b) Business Manager shall, as an Office Expense, develop for New PC and assist New PC in implementing outcomes management and work management systems and other protocols to enable New PC to achieve greater efficiencies in resource utilization.

(c) Business Manager shall commit reasonable resources to pursue, negotiate and maintain managed care contracts on behalf of New PC. Business Manager shall advise New PC on the economic impact of any such managed care contract.

ARTICLE V. COVENANTS AND RESPONSIBILITIES OF NEW PC

Section 5.1 Organization and Operation. New PC, as a continuing condition of Business Manager's obligations under this Management Services Agreement, shall at all times during the Term be and remain legally organized and operated to provide Medical Services in a manner consistent with all State and federal laws. New PC shall operate and maintain within the Practice Territory a full time practice of medicine specializing in the provision of oncology Medical Services, and for the first five (5) years of the Term of this Management Services Agreement, New PC shall maintain and enforce employment agreements in the form of Exhibit 5.1 with the shareholders of New PC specified in Exhibit 5.1A. New PC shall not amend the employment agreements in any material manner or waive any material rights of New PC thereunder without the prior approval of Business Manager.

Section 5.2 New PC Personnel.

(a) Physician Personnel. New PC shall retain, as a New PC Expense and not as an Office Expense, that number of Physicians, as are reasonably necessary and appropriate in the sole discretion of New PC for the provision of Medical Services. Each Physician retained by New PC shall hold and maintain a valid and unrestricted license to practice medicine in the State, and shall be competent in the practice of oncology, including such subspecialties as medical infusion, radiation therapy or other subspecialties that such Physician will practice on behalf of New PC. New PC shall enter into and maintain with each such retained Physician a written employment agreement substantially in the form of either Exhibit 5.1 for shareholders of New PC or consistent with Exhibit 5.2(a) for nonshareholders and will not commit and permit to remain outstanding any breach of such employment agreement that would allow the Physician to terminate for cause. New PC shall be responsible for paying the compensation and benefits as applicable, for all Physicians and any other physician personnel or other contracted or affiliated physicians, and for withholding, as required by law, any sums for income tax, unemployment insurance, social security, or any other withholding required by applicable law. Business Manager may, on behalf of New PC, establish and administer the compensation with respect to such individuals in accordance with the written agreement between New PC and each Physician. Business Manager shall neither control nor direct any Physician in the performance of Medical Services for patients.

(b) Nonphysician Health Care Personnel. All nonphysician health care personnel who provide patient care services in the diagnostic areas shall be employed by or retained by New PC as an Office Expense and shall be under New PC's control, supervision and direction in the performance of Medical Services for patients.

Section 5.3 Professional Standards. As a continuing condition of Business Manager's obligations hereunder, each Physician and any other physician personnel retained by New PC to provide Medical Services must (i) comply with, be controlled and governed by and otherwise provide Medical Services in accordance with applicable federal, State and municipal laws, rules,

regulations, ordinances and orders, and the ethics and standard of care of the medical community wherein the principal office of each Physician is located and (ii) obtain and retain appropriate medical staff membership with appropriate clinical privileges at any hospital or health care facility at which Medical Services are to be provided. Procurement of temporary staff privileges pending the completion of the medical staff approval process shall satisfy this provision, provided the Physician actively pursues full appointment and actually receives full appointment within a reasonable time.

Section 5.4 Medical Services. New PC shall ensure that Physicians and nonphysician health care personnel are available to provide Medical Services to patients. In the event that Physicians employed by, or shareholders of, New PC are not available to provide Medical Services coverage, New PC shall engage and retain locum tenens coverage. Physicians retained on a locum tenens basis shall meet all of the requirements of Section 5.3, and the cost of providing locum tenens coverage shall be a New PC Expense. With the assistance of the Business Manager, New PC and the Physicians shall be responsible for scheduling Physician and nonphysician health care personnel coverage of all medical procedures. New PC shall cause all Physicians to develop and promote New PC.

Section 5.5 Peer Review/Quality Assurance. New PC shall adopt a peer review/quality assessment program to monitor and evaluate the quality and cost-effectiveness of Medical Services provided by physician personnel of New PC. Upon request of New PC, Business Manager shall provide administrative assistance to New PC in performing its peer review/quality assurance activities, but only if such assistance can be provided consistent with maintaining the confidentiality and nondiscoverability of the processes and actions of the Peer Review/Quality Assurance process of New PC.

Section 5.6 New PC's Insurance. New PC shall, as an Office Expense, obtain and maintain with commercial carriers reasonably acceptable to Business Manager appropriate worker's compensation coverage for New PC's employed personnel, if any, and professional and comprehensive general liability insurance covering New PC and each of the Physicians New PC retains or employs to provide Medical Services. The comprehensive general liability coverage shall be in the minimum amount of Two Million Dollars ($2,000,000); and professional liability coverage shall be in the minimum amount of Two Million Dollars ($2,000,000) for each occurrence and Four Million Dollars ($4,000,000) annual aggregate. The insurance policy or policies shall provide for at least thirty (30) days advance written notice to New PC from the insurer as to any alteration of coverage, cancellation, or proposed cancellation for any cause. New PC shall cause to be issued to Business Manager by such insurer or insurers a certificate reflecting such coverage and shall provide written notice to Business Manager promptly upon receipt of notice given to Physician of the cancellation or proposed cancellation of such insurance for any cause. Upon the termination of this Management Services Agreement for any reason, New PC shall obtain and maintain as a New PC Expense "tail" professional liability coverage, in the amounts specified in this section for an extended reporting period of 10 years, and New PC shall be responsible for paying all premiums for "tail" insurance coverage. In no event shall the professional liability insurance carrier be replaced or changed without New PC Consent.

Section 5.7 Confidential and Proprietary Information. New PC will not disclose any Confidential Information of Business Manager without Business Manager's express written authorization, such Confidential Information will not be used in any way directly or indirectly detrimental to Business Manager, and New PC will keep such Confidential Information confidential and will ensure that its affiliates and advisors who have access to such Confidential Information comply with these nondisclosure obligations; provided, however, that New PC may disclose Confidential Information to those of its Representatives who need to know Confidential Information for the purposes of this Management Services Agreement, it being understood and agreed to by New PC that such Representatives will be informed of the confidential nature of the Confidential Information, will agree to be bound by this Section, and will be directed by New PC not to disclose to any other person any Confidential Information. New PC agrees to be responsible for any breach of this Section by its affiliates, advisors, or Representatives. If New PC is requested or required (by oral questions, interrogatories, requests for information or documents, subpoenas, civil investigative demands, or similar processes) to disclose or produce any Confidential Information furnished in the course of its dealings with Business Manager or its affiliates, advisors, or Representatives, New PC will (i) provide Business Manager with prompt notice thereof and copies, if possible, and, if not, a description, of the Confidential Information requested or required to be produced so that Business Manager may seek an appropriate protective order or waive compliance with the provisions of this Section and (ii) consult with Business Manager as to the advisability of Business Manager's taking of legally available steps to resist or narrow such request. New PC further agrees that, if in the absence of a protective order or the receipt of a waiver hereunder New PC is nonetheless, in the written opinion of its legal counsel, compelled to disclose or produce Confidential Information concerning Business Manager to any tribunal or to stand liable for contempt or suffer other censure or penalty, New PC may disclose or produce such Confidential Information to such tribunal legally authorized to request and entitled to receive such Confidential Information without liability hereunder; provided, however, that New PC shall give Business Manager written notice of the Confidential Information to be so disclosed or produced as far in advance of its disclosure or production as is practicable and shall use its best efforts to obtain, to the greatest extent practicable, an order or other reliable assurance that confidential treatment will be accorded to such Confidential Information so required to be disclosed or produced.

Section 5.8 Noncompetition. New PC hereby recognizes and acknowledges that Business Manager will incur substantial costs in providing the equipment, support services, personnel, management, administration, and other items and services that are the subject matter of this Management Services Agreement and that in the process of providing services under this Management Services Agreement, New PC will be privy to financial and Confidential Information, to which New PC would not otherwise be exposed. The parties also recognize that the services to be provided by Business Manager will be feasible only if New PC operates an active practice to which the Physicians associated with New PC devote their full professional time and attention. New PC agrees and acknowledges that the noncompetition covenants described hereunder are necessary for the protection of Business Manager, and that Business Manager would not have entered into this Management Services Agreement without the following covenants.

(a) During the Term of this Management Services Agreement and except for its obligations pursuant to this Management Services Agreement, New PC shall not establish,

operate, or provide Medical Services at a medical office, clinic or other health care facility anywhere within the Practice Territory.

(b) Except as specifically agreed to by Business Manager in writing, New PC covenants and agrees that during the Term of this Management Services Agreement and for a period of five (5) years from the date this Management Services Agreement is terminated, New PC shall not directly or indirectly own (excluding ownership of less than five percent (5%) of the equity of any publicly traded entity), manage, operate, control, or be otherwise associated with, lend funds to, lend its name to, or maintain any interest whatsoever in any enterprise (i) having to do with the provision, distribution, promotion, or advertising of any type of management or administrative services or products to third parties in competition with Business Manager, in the Practice Territory; and/or (ii) offering any type of service(s) or product(s) to third parties substantially similar to those offered by Business Manager to New PC in the Practice Territory. Notwithstanding the above restriction, nothing herein shall prohibit New PC or any of its shareholders from providing management and administrative services to its or their own medical practices after the termination of this Management Services Agreement.

(c) The written employment agreements described in Section 5.1 shall contain covenants of the shareholder employees pursuant to which the shareholders agree not to compete with New PC within the Practice Territory for one (1) year after termination of the employment agreement; provided, however, that the individual physician covenants may be modified as described hereafter. Beginning on the fifth anniversary of the effective date of this Management Services Agreement and continuing for thirty (30) days thereafter, New PC may, by a two-thirds vote of the New PC shareholders, modify the covenants of the shareholder physicians in Article VI of the Physician Employment Agreement. The modifications shall be limited to reductions in the geographic area and/or the purchase price of the covenant. In no event shall the geographic area covered by the covenant be less than five (5) miles from any then-existing New PC site, and in no event shall the purchase price of any covenant be reduced to an amount less than $125,000; and, provided further that the employment agreement may not be modified to reduce the geographic coverage or the purchase price if the shareholder physician will thereafter enter into a contractual relationship with an entity whose primary business is to provide management services to oncology practices.

(d) New PC shall obtain and enforce formal written agreements from its nonshareholder physician employees in the form of Exhibit 5.2(a), pursuant to which the employees agree not to compete with New PC within the Practice Territory for one (1) year after termination of the employment agreement.

(e) New PC understands and acknowledges that the foregoing provisions in Section 5.7 and Section 5.8 are designed to preserve the goodwill of Business Manager and the goodwill of the individual Physicians of New PC. Accordingly, if New PC breaches any obligation of Section 5.7 or Section 5.8, in addition to any other remedies available under this Management Services Agreement, at law or in equity, Business Manager shall be entitled to enforce this Management Services Agreement by injunctive relief and by specific performance of the

Management Services Agreement, such relief to be without the necessity of posting a bond, cash or otherwise. Additionally, nothing in this paragraph shall limit Business Manager's right to recover any other damages to which it is entitled as result of New PC's breach. If any provision of the covenants is held by a court of competent jurisdiction to be unenforceable due to an excessive time period, geographic area, or restricted activity, the covenant shall be reformed to comply with such time period, geographic area, or restricted activity that would be held enforceable.

Section 5.9 Name, Trademark. New PC represents and warrants that New PC conducts its professional practice under the name of, and only under the name of "Oklahoma Oncology & Hematology, P.C." and that such name is the name of New PC under Oklahoma law, and that New PC is the sole and absolute owner of the name. New PC covenants and promises that, without the prior written consent of the Business Manager, New PC will not:

(a) take any action or omit to take any action that is reasonably likely to result in the change or loss of the name;

(b) license, sell, give, or otherwise transfer the name or the right to use the name to any medical practice, physician, professional corporation, or any other entity; or

(c) cease conducting the professional practice of New PC under the name.

New PC covenants and promises that, if New PC becomes a partner in OOA pursuant to Section 1.1 of the Partnership Agreement of OOA, New PC shall cease conducting the professional practice of New PC under the name and shall begin conducting the professional practice of New PC under the name of OOA.

Section 5.10 Lease Assignment. Upon Business Manager's request, if New PC is the lessee of the Office under a lease with an unrelated and unaffiliated lessor, New PC shall assign the lease to Business Manager upon receipt of consent from the lessor. New PC shall use its best efforts to assist in obtaining the lessor's consent to the assignment. Upon request, New PC shall execute any instruments and shall take any acts that Business Manager may deem necessary to accomplish the assignment of the lease.

Section 5.11 Peer Review. New PC shall designate a committee of Physicians to function as a medical peer review committee to review credentials of potential recruits, perform quality assurance functions, and otherwise resolve medical competence issues. The medical peer review committee shall function pursuant to formal written policies and procedures.

ARTICLE VI. FINANCIAL ARRANGEMENT

Section 6.1 Definitions. For purposes of this Article VI, capitalized terms used herein shall have the meanings ascribed as follows:

(a) Fixed Amount. The Fixed Amount shall be the amount determined as follows:

Months During Term	Fixed Amount
[redacted]	[redacted]

(b) Monthly Fee. The Monthly Fee shall be the [redacted]

(c) Fee Amount. The Fee Amount shall be the sum of [redacted]

(d) Base Management Fee. The Base Management Fee shall be the [redacted]

Section 6.2 Management Fee. New PC and Business Manager agree to the compensation set forth herein as being paid to Business Manager in consideration of a substantial commitment made by Business Manager hereunder and that such fees are fair and reasonable. Each month, in the priority established by Section 4.9 (b), Business Manager shall be paid the following:

(i) the amount of all Office Expenses (other than the Base Management Fee) paid on behalf of New PC.

(ii) the Base Management Fee.

(iii) [redacted]

Section 6.3 Adjustments. Adjustments to the Management Fee calculation shall be made as follows:

(a) Upon termination of this Management Services Agreement, a liability for the Management Fee shall be established in an amount equal to the difference, if any between [redacted]

(b) Beginning on the fifth anniversary of this Management Services Agreement and continuing through the termination of this Management Services Agreement, the Monthly Fee shall be [redacted]

(c) If there are not sufficient funds to pay the Performance Fee, unpaid amounts shall accumulate and carry over from month to month until paid. No amounts carried over shall earn interest. Furthermore, the amount of the Performance Fee paid will be monitored and reconciled on an annual basis and any overpayments of the Performance Fee shall be promptly refunded by the Business Manager.

Section 6.4 Reasonable Value. Payment of the Base Management Fee or Performance Fee is not intended to be and shall not be interpreted or applied as permitting Business Manager to share in New PC's fees for Medical Services or any other services, but is acknowledged as the parties' negotiated agreement as to the reasonable fair market value of the equipment, contract analysis and support, other support services, purchasing, personnel, office space, management, administration, strategic management and other items and services furnished by Business Manager pursuant to this Management Services Agreement, considering the nature and volume of the services required and the risks assumed by Business Manager.

Section 6.5 Payment of Management Fee. To facilitate the payment of the Management Fee as provided in Section 6.1 hereof, New PC hereby expressly authorizes Business Manager to make withdrawals of the Management Fee from the New PC Account as such fee becomes due and payable during the Term and thereafter as provided in Section 7.3.

Section 6.6 Accounts Receivable. To assure that New PC receives the entire amount of professional fees for its services and to assist New PC in maintaining reasonable cash flow for the payment of Office Expenses, Business Manager may, during the Term, purchase, with recourse to New PC for the amount of the purchase, the accounts receivable of New PC arising during the previous month by transferring the amount set forth below into the New PC Account. The consideration for the purchase shall be an amount equal to the Adjusted Gross Revenue recorded each month (according to GAAP on an accrual basis net of Adjustments). Business Manager shall be entitled to offset Office Expenses reimbursement due to Business Manager under Section 6.2 above against the amount payable for the accounts receivable. Although it is the intention of the parties that Business Manager purchase and thereby become the owner of the accounts receivable of New PC, in the event such purchase shall be ineffective for any reason, New PC is concurrently herewith granting to Business Manager a security interest in the accounts receivable, and New PC shall cooperate with Business Manager and execute all documents in connection with the pledge of such accounts receivable to Business Manager. All collections in respect to such accounts receivable purchased by Business Manager shall be received by Business Manager as the agent of New PC and shall be endorsed to Business Manager and deposited in a bank account at a bank designated by Business Manager. To the extent New PC comes into possession of any payments in respect of such accounts receivable, New PC shall direct such payments to Business Manager for deposit in bank accounts designated by Business Manager.

Section 6.7 Disputes Regarding Fees.

(a) It is the parties' intent that any disputes regarding performance standards of the Business Manager be resolved to the extent possible by good faith negotiation. To that end, the parties agree that if New PC in good faith believes that Business Manager has failed to perform its obligations, and that as a result of such failure, New PC is entitled to a set-off or reduction in its Management Fees, New PC shall give Business Manager notice of the perceived failure and request in the notice a set-off or reduction in Management Fees. Business Manager and New PC shall then negotiate the dispute in good faith, and if an agreement is reached, the parties shall implement the resolution without further action.

(b) If the parties cannot reach a resolution within a reasonable time, New PC shall, at its option, submit the dispute to mediation. Mediation shall be conducted in Tulsa, Oklahoma in accordance with the rules of the National Health Lawyers Association Alternative Dispute Resolution Service, and if the amount in dispute is $50,000 or less, the mediation shall be binding.

(c) If the amount in dispute is greater than $50,000, or if the mediation process fails to resolve the dispute, the dispute shall be submitted by either party to binding arbitration as described by Article XI of the Purchase Agreement (as defined by the Master Transaction Agreement).

ARTICLE VII. TERM AND TERMINATION

Section 7.1 Initial and Renewal Term. The Term of this Management Services Agreement will be for an initial period of forty (40) years after the effective date, and shall be automatically renewed for successive five (5) year periods thereafter, provided that neither Business Manager nor New PC shall have given notice of termination of this Management Services Agreement at least one hundred twenty (120) days before the end of the initial term or any renewal term, or unless otherwise terminated as provided in Section 7.2 of this Management Services Agreement.

Section 7.2 Termination.

(a) Termination By Business Manager. Business Manager may terminate this Management Services Agreement upon the occurrence of any one of the following events which shall be deemed to be "for cause":

(i) New PC's loss or suspension of its Medicare or Medicaid provider number, and/or New PC's restriction from treating beneficiaries of the Medicare or Medicaid programs, except as effected with connection with the formation and operation of OOA;

(ii) The dissolution of New PC or the filing of a petition in voluntary bankruptcy, an assignment for the benefit of creditors, or other action taken voluntarily or involuntarily under any State or federal statute for the protection of debtors;

(iii) New PC materially defaults in the performance of any of its material duties or obligations hereunder, and such default continues for sixty (60) days after New PC receives notice of the default.

(b) Termination By New PC. New PC may terminate this Management Services Agreement upon any of the following occurrences which shall be deemed to be "for cause":

(i) With thirty (30) days notice in the event that Business Manager materially defaults in the performance of any of its material obligations hereunder and such default continues for sixty (60) days after Business Manager receives notice of the default;

(ii) In the event that an arbitrator pursuant to Section 8.6 makes a final determination that Business Manager has materially breached a fiduciary duty owed to New PC, New PC may terminate this Management Services Agreement upon ten (10) days written notice to Business Manager;

(iii) In the event Business Manager intentionally and in bad faith misappropriates or misapplies New PC's funds and fails to correct such misappropriation or inappropriate application within thirty (30) days of receipt of written notice from New PC describing with particularity the misappropriation or misapplication, New PC may terminate this Management Services Agreement upon ten (10) days written notice to Business Manager;

(iv) If AOR defaults in its payment obligations under the Note (as defined in the Master Transaction Agreement) and if such default continues for ten (10) days after notice has been given to AOR, New PC may terminate this Management Services Agreement not less than thirty (30) days after Business Manager's receipt of such notice.

Termination by New PC hereunder shall require the affirmative vote of three-fourths of the outstanding voting shares of the common shareholders of New PC entitled to vote; provided, however, that if the option (the "Option"), which is contained in the Option Agreement of even date herewith between the shareholders in New PC and Lloyd K. Everson, M.D. (the "Optionee," which term shall also includes any successors), has been exercised, termination by New PC hereunder shall require the affirmative vote of two-thirds (2/3) of the shareholders in New PC, other than the Optionee (if there are shareholders other than Optionee) who are entitled to vote; and if there are no shareholders other than Optionee, termination may be effected by the affirmative vote of 2/3 of the Physician employees of New PC whose New PC stock was purchased by Optionee.

(c) Termination by Agreement. In the event New PC and Business Manager shall mutually agree in writing, this Management Services Agreement may be terminated on the date specified in such written agreement.

(d) Legislative, Regulatory or Administrative Change. In the event there shall be a change in the Medicare or Medicaid statutes, State statutes, case laws, regulations or general instructions, the interpretation of any of the foregoing, the adoption of new federal or State legislation, or a change in any third party reimbursement system, any of which are reasonably likely to materially and adversely affect the manner in which either party may perform or be compensated for its services under this Management Services Agreement or which shall make this Management Services Agreement unlawful, the parties shall immediately enter into good faith negotiations regarding a new service arrangement or basis for compensation for the services furnished pursuant to this Management Services Agreement that complies with the law, regulation, or policy and that approximates as closely as possible the economic position of the parties prior to the change. If good faith negotiations cannot resolve the matter, it shall be submitted to arbitration as referenced in Section 8.6.

Section 7.3 Effects of Termination. Upon termination of this Management Services Agreement, as hereinabove provided, neither party shall have any further obligations hereunder except for (i) obligations accruing prior to the date of termination, including, without limitation, payment of the Management Fees and New PC Expenses relating to services provided prior to the termination of this Management Services Agreement, (ii) obligations, promises, or covenants set forth herein that are expressly made to extend beyond the Term, including, without limitation, indemnities and noncompetition provisions, which provisions shall survive the expiration or termination of this Management Services Agreement by Business Manager for cause or by New PC without cause, and (iii) the obligations of New PC and Business Manager described in Section 7.4. In effectuating the provisions of this Section 7.3, New PC specifically acknowledges and agrees that Business Manager shall continue to collect and receive on behalf of New PC all cash collections from accounts receivable in existence at the time this Management Services Agreement is terminated, it being understood that such cash collections will represent, in part, compensation to Business Manager for management services already rendered and compensation on accounts receivable purchased by Business Manager. Upon the expiration or termination of this Management Services Agreement for any reason or cause whatsoever, Business Manager shall surrender to New PC all books and records pertaining to New PC's medical practice.

Section 7.4 Repurchase Obligation. Upon termination of this Management Services Agreement by Business Manager for cause or by New PC without cause, New PC shall:

(a) Purchase from Business Manager at book value the intangible assets, deferred charges, and all other amounts on the books of the Business Manager relating to the Management Services Agreement as adjusted through the last day of the month most recently ended prior to the date of such termination in accordance with GAAP to reflect amortization or depreciation of the intangible assets, deferred charges, or covenants;

(b) Purchase from Business Manager any real estate owned by Business Manager and used as an Office at the greater of the appraised fair market value thereof or the then book value thereof. In the event of any repurchase of real property, the appraised value shall be determined by Business Manager and New PC, each selecting a duly qualified appraiser, who in turn will agree on a third appraiser. This agreed-upon appraiser shall perform the appraisal which shall be binding on both parties. In the event either party fails to select an appraiser within fifteen

(15) days of the selection of an appraiser by the other party, the appraiser selected by the other party shall make the selection of the third party appraiser;

(c) Purchase at book value all improvements, additions, or leasehold improvements that have been made by Business Manager at any Office and that relate solely to the performance of Business Manager's obligations under this Management Services Agreement;

(d) Assume all debt, and all contracts, payables, and leases that are obligations of Business Manager and that relate principally to the performance of Business Manager's obligations under this Management Services Agreement or the properties leased or subleased hereunder by Business Manager; and

(e) Purchase from Business Manager at book value all of the equipment listed as set forth in the Master Transaction Agreement or an exhibit thereto, including all replacements and additions thereto made by Business Manager pursuant to the performance of its obligations under this Management Services Agreement, and all other assets, including inventory and supplies, tangibles and intangibles, set forth on the books of the Business Manager as adjusted through the last day of the month most recently ended prior to the date of such termination in accordance with GAAP to reflect operations of the Office, depreciation, amortization, and other adjustments of assets shown on the books of the Business Manager.

New PC acknowledges that certain assets listed above have been pledged as collateral pursuant to that certain Loan Agreement dated December 5, 1994 between AOR, as borrower, and First Union National Bank of North Carolina, as agent for various lenders.

Section 7.5 Repurchase Option. Upon termination of this Management Services Agreement by New PC for cause, New PC shall have the option but not the obligation to do all or none of the following:

(a) Purchase from Business Manager any real estate owned by Business Manager and used as an Office at the greater of the appraised fair market value thereof or the then book value thereof. In the event of any repurchase of real property, the appraised value shall be determined by Business Manager and New PC, each selecting a duly qualified appraiser, who in turn will agree on a third appraiser. This agreed-upon appraiser shall perform the appraisal which shall be binding on both parties. In the event either party fails to select an appraiser within fifteen (15) days of the selection of an appraiser by the other party, the appraiser selected by the other party shall make the selection of the third party appraiser;

(b) Purchase at book value all improvements, additions, or leasehold improvements that have been made by Business Manager at any Office and that relate solely to the performance of Business Manager's obligations under this Management Services Agreement;

(c) Assume all debt, and all contracts, payables, and leases that are obligations of Business Manager and that relate principally to the performance of Business Manager's obligations under this Management Services Agreement or the properties leased or subleased by Business Manager; and

(d) Purchase from Business Manager at book value all of the equipment listed as set forth in the Master Transaction Agreement or an exhibit thereto, including all replacements and additions thereto made by Business Manager pursuant to the performance of its obligations under this Management Services Agreement, and all other tangible assets, including inventory and supplies, set forth on the books of the Business Manager as adjusted through the last day of the month most recently ended prior to the date of such termination in accordance with GAAP to reflect operations of the Office, depreciation, amortization, and other adjustments of assets shown on the books of the Business Manager.

New PC acknowledges that certain assets listed above have been pledged as collateral pursuant to that certain Loan Agreement dated December 5, 1994 between AOR, as borrower, and First Union National Bank of North Carolina, as agent for various lenders.

Section 7.6 Closing of Repurchase. New PC shall pay cash for the repurchased assets. The amount of the purchase price shall be reduced by the amount of debt and liabilities of Business Manager, if any, assumed by New PC. New PC and any Physician associated with New PC shall execute such documents as may be required to assume the liabilities set forth in Section 7.4(d) or Section 7.5(c) and to remove Business Manager from any liability with respect to such repurchased asset and with respect to any property leased or subleased by Business Manager. The closing date for the repurchase shall be determined by Business Manager but shall in no event occur later than one hundred eighty (180) days from the date of the notice of termination. The termination of this Management Services Agreement shall become effective upon the closing of the sale of the assets under Section 7.4 or the delivery of assets (or the date upon which New PC is prepared to receive the assets) under Section 7.5 and all parties shall be released from any restrictive covenants provided for in Section 4.16 or Section 5.8 on the closing date. From and after any termination, each party shall provide the other party with reasonable access of the books and records then owned by it to permit such requesting party to satisfy reporting and contractual obligations that may be required of it.

ARTICLE VIII. MISCELLANEOUS

Section 8.1 Administrative Services Only. Nothing in this Management Services Agreement is intended or shall be construed to allow Business Manager to exercise control or direction over the manner or method by which New PC and its Physicians perform Medical Services or other professional health care services. The rendition of all Medical Services, including, but not limited to, infusion therapy and the prescription or administration of medicine and drugs shall be the sole responsibility of New PC and its Physicians, and Business Manager shall not interfere in any manner or to any extent therewith. Nothing contained in this Management Services Agreement shall be construed to permit Business Manager to engage in the practice of medicine, it being the sole intention of the parties hereto that the services to be rendered to New PC by Business Manager are solely for the purpose of providing nonmedical management and administrative services to New PC so as to enable New PC to devote its full time and energies to the professional conduct of its medical practice and provision of Medical Services to its patients and not to administration, or practice management.

Section 8.2 Status of Contractor. It is expressly acknowledged that the parties hereto are "independent contractors," and nothing in this Management Services Agreement is intended

and nothing shall be construed to create an employer/employee, partnership, or joint venture relationship, or to allow either to exercise control or direction over the manner or method by which the other performs the services that are the subject matter of this Management Services Agreement; provided always that the services to be provided hereunder shall be furnished in a manner consistent with the standards governing such services and the provisions of this Management Services Agreement. Each party understands and agrees that (i) the other will not be treated as an employee for federal tax purposes, (ii) neither will withhold on behalf of the other any sums for income tax, unemployment insurance, social security, or any other withholding pursuant to any law or requirement of any governmental body or make available any of the benefits afforded to its employees, (iii) all of such payments, withholdings, and benefits, if any, are the sole responsibility of the party incurring the liability, and (iv) each will indemnify and hold the other harmless from any and all loss or liability arising with respect to such payments, withholdings, and benefits, if any.

Section 8.3 Notices. Any notice, demand, or communication required, permitted, or desired to be given hereunder shall be in writing and shall be served on the parties at the following respective addresses:

New PC:	Oklahoma Oncology & Hematology, P.C. 6151 South Yale Avenue Suite 100 Tulsa, Oklahoma 74136
with a copy to:	Katten, Muchin & Zavis 525 West Monroe Street Chicago, Illinois 60661-2174 Attention: Steven Napolitano
	and
	Anderson, McCoy & Orta, P.C. 1580 Liberty Tower Oklahoma City, Oklahoma 73102 Attention: J. Michael McCoy
Business Manager:	Oncology & Hematology Management Partnership 6151 South Yale Avenue, Suite 100 Tulsa, Oklahoma 74136-1902 Attention: Alan M. Keller, M.D.
with a copy to:	American Oncology Resources, Inc. 17001 Northchase Dr., Suite 330 Houston, Texas 77060 Attention: Dale Ross

or to such other address, or to the attention of such other person or officer, as any party may by written notice designate. Any notice, demand, or communication required, permitted, or

desired to be given hereunder shall be sent either (a) by hand delivery, in which case notice shall be deemed received when actually delivered, (b) by prepaid certified or registered mail, return receipt requested, in which case notice shall be deemed received five calendar days after deposit, postage prepaid in the United States Mail, or (c) by a nationally recognized overnight courier, in which case notice shall be deemed received one business day after deposit with such courier.

Section 8.4 Governing Law. This Management Services Agreement shall be governed by the laws of the State of Texas applicable to agreements to be performed wholly within the State. Texas law was chosen by the parties after negotiation to govern interpretation of this Management Services Agreement because Harris County, Texas is the seat of management for Business Manager. The federal and State courts of Tulsa County, Oklahoma shall be the exclusive venue for any litigation, special proceeding, or other proceeding between the parties that may arise out of, or be brought in connection with or by reason of, this Management Services Agreement.

Section 8.5 Assignment. Except as may be herein specifically provided to the contrary, this Management Services Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective legal representatives, successors, and assigns; provided, however, that New PC may not assign this Management Services Agreement without the prior written consent of Business Manager, which consent may be withheld. The sale, transfer, pledge, or assignment of any of the common shares held by any shareholder of New PC or the issuance by New PC of common or other voting shares to any other person, or any combination of such transactions within a period of one (1) year, such that the existing shareholders in New PC fail to maintain a majority of the voting interests in New PC shall be deemed an attempted assignment by New PC, and shall be null and void unless consented to in writing by Business Manager prior to any such transfer or issuance. Any breach of this provision, whether or not void or voidable, shall constitute a material breach of this Management Services Agreement, and in the event of such breach, Business Manager may terminate this Management Services Agreement upon twenty-four (24) hours notice to New PC. The parties agree that American Oncology Resources, Inc. ("AOR") shall succeed to all of Business Manager's rights and obligations under this Management Services Agreement and shall then assign and deliver all of its rights and obligations hereunder to its wholly-owned subsidiary, AOR Management Company of Oklahoma, Inc. ("AOR Management"). AOR Management shall then become the Business Manager under this Management Services Agreement. In addition, Business Manager or the transferee shall have the right to (i) assign its rights and obligations hereunder to any third party and (ii) collaterally assign its interest in this Management Services Agreement and its right to collect Management Fees hereunder to any financial institution or other third party without the consent of New PC. New PC acknowledges that Business Manager's interest in this Management Services Agreement and Business Manager's right to collect Management Fees under this Management Services Agreement have been collaterally assigned pursuant to that certain Loan Agreement dated December 5, 1994 between AOR, as borrower, and First Union National Bank of North Carolina, as agent for various lenders.

Section 8.6 Arbitration. The parties shall use good faith negotiation to resolve any controversy, dispute or disagreement arising out of or relating to this Management Services Agreement or the breach of this Management Services Agreement. Any matter not resolved by negotiation shall be submitted to binding arbitration and such arbitration shall be governed by

the terms of Article XI of the Purchase Agreement, which, as it applies to the parties hereto, is incorporated herein by reference in its entirety.

Section 8.7 Waiver of Breach. The waiver by either party of a breach or violation of any provision of this Management Services Agreement shall not operate as, or be construed to constitute, a waiver of any subsequent breach of the same or another provision hereof.

Section 8.8 Enforcement. In the event either party resorts to legal action to enforce or interpret any provision of this Management Services Agreement, the prevailing party shall be entitled to recover the costs and expenses of such action so incurred, including, without limitation, reasonable attorneys' fees.

Section 8.9 Gender and Number. Whenever the context of this Management Services Agreement requires, the gender of all words herein shall include the masculine, feminine, and neuter, and the number of all words herein shall include the singular and plural.

Section 8.10 Additional Assurances. Except as may be herein specifically provided to the contrary, the provisions of this Management Services Agreement shall be self-operative and shall not require further agreement by the parties; provided, however, at the request of either party, the other party shall execute such additional instruments and take such additional acts as are reasonable and as the requesting party may deem necessary to effectuate this Management Services Agreement.

Section 8.11 Consents, Approvals, and Exercise of Discretion. Whenever this Management Services Agreement requires any consent or approval to be given by either party, or either party must or may exercise discretion, and except where specifically set forth to the contrary, the parties agree that such consent or approval shall not be unreasonably withheld or delayed, and that such discretion shall be reasonably exercised.

Section 8.12 Force Majeure. Neither party shall be liable or deemed to be in default for any delay or failure in performance under this Management Services Agreement or other interruption of service deemed to result, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, accidents, fires, explosions, earthquakes, floods, failure of transportation, strikes or other work interruptions by either party's employees, or any other similar cause beyond the reasonable control of either party unless such delay or failure in performance is expressly addressed elsewhere in this Management Services Agreement.

Section 8.13 Severability. The parties hereto have negotiated and prepared the terms of this Management Services Agreement in good faith with the intent that each and every one of the terms, covenants and conditions herein be binding upon and inure to the benefit of the respective parties. Accordingly, if any one or more of the terms, provisions, promises, covenants or conditions of this Management Services Agreement or the application thereof to any person or circumstance shall be adjudged to any extent invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction or an arbitration tribunal, such provision shall be as narrowly construed as possible, and each and all of the remaining terms, provisions, promises, covenants and conditions of this Management Services Agreement or their application to other persons or circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law. To the extent this

Management Services Agreement is in violation of applicable law, then the parties agree to negotiate in good faith to amend the Management Services Agreement, to the extent possible consistent with its purposes, to conform to law.

Section 8.14 Divisions and Headings. The divisions of this Management Services Agreement into articles, sections, and subsections and the use of captions and headings in connection therewith is solely for convenience and shall not affect in any way the meaning or interpretation of this Management Services Agreement.

Section 8.15 Amendments and Management Services Agreement Execution. This Management Services Agreement and amendments hereto shall be in writing and executed in multiple copies on behalf of New PC by its President, and on behalf of Business Manager by all of its partners. Each multiple copy shall be deemed an original, but all multiple copies together shall constitute one and the same instrument.

Section 8.16 Entire Management Services Agreement. With respect to the subject matter of this Management Services Agreement, this Management Services Agreement supersedes all previous contracts and constitutes the entire agreement between the parties. Neither party shall be entitled to benefits other than those specified herein. No prior oral statements or contemporaneous negotiations or understandings or prior written material not specifically incorporated herein shall be of any force and effect, and no changes in or additions to this Management Services Agreement shall be recognized unless incorporated herein by amendment as provided herein, such amendment(s) to become effective on the date stipulated in such amendment(s). The parties specifically acknowledge that, in entering into and executing this Management Services Agreement, the parties rely solely upon the representations and agreements contained in this Management Services Agreement and no others.

IN WITNESS WHEREOF, New PC and Business Manager have caused this Management Services Agreement to be executed by their duly authorized representatives, all as of the day and year first above written.

NEW PC:

OKLAHOMA ONCOLOGY & HEMATOLOGY, P.C.
an Oklahoma professional corporation

By: _____
Alan M. Keller, M.D.
President

BUSINESS MANAGER:

ONCOLOGY AND HEMATOLOGY MANAGEMENT PARTNERSHIP,
a Texas general partnership

By: _____
Alan M. Keller, M.D.
Managing Partner

POWELL, GOLDSTEIN, FRAZER & MURPHY LLP
ATTORNEYS AT LAW
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May 6, 1998

AOR 1998-10

N. Bradley Litchfield, Esq.
Associate General Counsel for Policy
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: AOR Advisory Opinion Request

Dear Mr. Litchfield:

In accordance with our telephone conversation earlier today, enclosed please find a typical master transaction agreement between AOR and an AOR-affiliated physician group. This document should provide you with a better understanding of the complex series of transactions that occur when an individual physician group becomes affiliated with AOR.

If you need any further information, please do not hesitate to contact me at the above address.

Sincerely,

Brett G. Kappel

FOR POWELL, GOLDSTEIN, FRAZER & MURPHY LLP
Counsel to American Oncology Resources, Inc.

Enclosure

:81757

MASTER TRANSACTION

AGREEMENT

BY AND AMONG

AMERICAN ONCOLOGY RESOURCES, INC.

AOR MANAGEMENT COMPANY OF SOUTH CAROLINA, INC.

HEMATOLOGY AND ONCOLOGY ASSOCIATES, P.A.

REGINALD J. BROOKER, M.D.

GERALD W. KING, M.D.

W. LARRY GLUCK, M.D.

MARK A. O'ROURKE, M.D.

JEFFREY K. GIGUERE, M.D.

INDEX

EXHIBITS

MASTER TRANSACTION AGREEMENT

This Master Transaction Agreement ("Master Transaction Agreement"), dated and effective as of December 22, 1994, is by and among AMERICAN ONCOLOGY RESOURCES, INC., a Delaware corporation ("AOR"); AOR MANAGEMENT COMPANY OF SOUTH CAROLINA, INC., a Delaware corporation ("AOR Management"); HEMATOLOGY AND ONCOLOGY ASSOCIATES, P.A., a South Carolina professional corporation ("HOA"); and REGINALD J. BROOKER, M.D., GERALD W. KING, M.D., W. LARRY GLUCK, M.D., MARK A. O'ROURKE, M.D. and JEFFREY K. GIGUERE, M.D. (collectively, the "Physicians" and individually, a "Physician").

RECITALS

A. Each Physician is a physician licensed to practice medicine in the State of South Carolina. Each Physician currently conducts such Physician's medical oncology practice with the other Physicians, practicing together through HOA.

B. The Physicians desire to restructure their medical practice currently conducted through HOA by consummation of the transactions described in this Master Transaction Agreement.

C. The parties to this Master Transaction Agreement desire to set forth the terms and conditions upon which the restructuring described above shall be accomplished and to agree upon other matters set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties agree as follows:

ARTICLE I. DEFINITIONS

For purposes of this Master Transaction Agreement, the following terms, in addition to other capitalized terms used in this Master Transaction Agreement that are defined elsewhere herein, shall have the meanings set forth herein.

Section 1.01 Affiliation Agreement. The Affiliation Agreement that may be executed among AOR Management, New LLC, South Carolina Oncology Hematology Group, a South Carolina general partnership that may be formed as described in Section 2.06 hereof, and certain other medical parties described in Section 2.06 hereof, substantially in the form set forth in Exhibit A.

Section 1.02 AOR Audited Financial Statements. As defined in Section 4.01(e) hereof.

Section 1.03 AOR Common Stock. The Common Stock, par value $.01 per share, of AOR.

Section 1.04 AOR Indemnified Persons. As defined in Section 10.01(a) hereof.

Section 1.05 AOR Parties. AOR and AOR Management.

Section 1.06 AOR Unaudited Financial Statements. As defined in Section 4.01(e) hereof.

Section 1.07 Assumed Obligations. As defined in Section 2.03 of the Purchase Agreement.

Section 1.08 Closing. The closing of the transactions contemplated by this Master Transaction Agreement.

Section 1.09 Closing Date. As defined in Section 8.01 hereof.

Section 1.10 Code. The Internal Revenue Code of 1986, as amended.

Section 1.11 Confidentiality Agreements. Collectively, those certain Confidentiality Agreements between AOR and each Physician.

Section 1.12 Contribution Agreements. Collectively, the Contribution Agreements to be executed between each Physician and New LLC substantially in the form set forth in Exhibit B.

Section 1.13 Disclosure Schedule. The disclosure schedule attached hereto setting forth, with reference to the applicable section and subsection of this Master Transaction Agreement, certain information and exceptions to the representations, warranties and covenants of the Physician Parties.

Section 1.14 Employment Agreements. Collectively, the Employment Agreements to be executed between each Physician and New LLC substantially in the form set forth in Exhibit C.

Section 1.15 Environmental Claim. As defined in Section 10.01(a)(v) hereof.

Section 1.16 Environmental Laws. As defined in Section 3.01(m) hereof.

Section 1.17 ERISA. As defined in Section 3.01(l) hereof.

Section 1.18 Escrow Agent. As defined in the Escrow Agreements.

Section 1.19 Escrow Agreements. Collectively, the Escrow Agreements that, subject to the occurrence of certain events described in Section 11.02(b) hereof, will be executed among the Escrow Agent, AOR, AOR Management and a Physician, substantially in the form set forth in Exhibit D.

Section 1.20 Exchange Act. The Securities Exchange Act of 1934, as amended.

Section 1.21 GAAP. Generally accepted accounting principles, consistently applied.

Section 1.22 Governmental Authority. Any national, state, provincial, local or tribal governmental, judicial or administrative authority or agency.

Section 1.23 Hazardous Wastes. As defined in Section 3.01(m) hereof.

Section 1.24 HOA Audited Financial Statements. As defined in Section 3.01(d) hereof.

Section 1.25 HOA Balance Sheet. As defined in Section 3.01(d) hereof.

Section 1.26 HOA Balance Sheet Date. As defined in Section 3.01(d) hereof.

Section 1.27 HOA Unaudited Financial Statements. As defined in Section 3.01(d) hereof.

Section 1.28 Indemnity Loss. As defined in Section 10.01(a) hereof.

Section 1.29 Investment Representations Schedule. The schedule attached hereto setting forth exceptions to each Physician's representations, warranties and covenants set forth in Section 6.03 hereof.

Section 1.30 Management Services Agreement. The Management Services Agreement to be executed between AOR and New LLC substantially in the form set forth in Exhibit E.

Section 1.31 Market Price. The market price per share of AOR Common Stock determined in the following manner: (i) the closing price (which shall be the last reported sales price, or, in case no such sales take place on such day, the average of the closing bid and the asked prices) per share of the AOR Common Stock on the principal national securities exchange on which the AOR Common Stock is then listed or admitted to trading, if the AOR Common Stock is then listed or admitted to trading on any national securities exchange; (ii) if the AOR Common Stock is not then so listed on a national securities exchange, the average of the closing bid and asked prices of the AOR Common Stock in the over-the-counter market as reported by NASDAQ; (iii) if the AOR Common Stock is not then quoted by NASDAQ, as furnished by any member of NASD selected by AOR for that purpose; or (iv) if no member of NASD furnishes

quotes with respect to the AOR Common Stock, the greater of (x) $8.25 per share of AOR Common Stock or (y) an amount determined in good faith by the board of directors of AOR.

Section 1.32 Medical Assets. As defined in Section 2.02 of the Purchase Agreement.

Section 1.33 NASD. The National Association of Securities Dealers, Inc.

Section 1.34 NASDAQ. The National Association of Securities Dealers Automated Quotation System.

Section 1.35 New LLC. Oncology and Hematology Associates of South Carolina, L.L.C., a South Carolina limited liability company formed in accordance with the terms of this Master Transaction Agreement.

Section 1.36 New LLC Charter. The Articles of Organization of New LLC substantially in the form set forth in Exhibit F.

Section 1.37 New LLC Operating Agreement. The operating agreement of New LLC substantially in the form set forth in Exhibit G.

Section 1.38 New LLC Organizational Minutes. The organizational minutes of New LLC substantially in the form set forth in Exhibit H.

Section 1.39 Nonmedical Assets. As defined in Section 2.01 of the Purchase Agreement.

Section 1.40 Notes. Collectively, the subordinated promissory notes, Series D, Class 3, to be delivered to the Physicians at the Closing pursuant to this Master Transaction Agreement substantially in the form set forth in Exhibit I.

Section 1.41 Option Agreement. The Option Agreement to be executed by and among the Physicians and Lloyd K. Everson, M.D. substantially in the form set forth in Exhibit J.

Section 1.42 Physician Indemnified Persons. As defined in Section 10.02 hereof.

Section 1.43 Physician Parties. The Physicians and HOA.

Section 1.44 Practice. The medical oncology, infusion therapy and all other related health-care practices conducted from time to time by HOA prior to Closing and New LLC on and after the Closing.

Section 1.45 Purchase Agreement. The Purchase Agreement to be executed by and between AOR Management and HOA, including the Physicians' noncompetition covenant

attached thereto and forming a part thereof for all purposes, substantially in the form set forth in Exhibit K.

Section 1.46 Real Property Leases. As defined in Section 2.02(g) of the Purchase Agreement.

Section 1.47 SEC. The Securities and Exchange Commission.

Section 1.48 Securities. The Notes and the shares of AOR Common Stock to be issued to the Physicians pursuant to this Master Transaction Agreement.

Section 1.49 Securities Act. The Securities Act of 1933, as amended.

Section 1.50 South Carolina Partnership Agreement. The Partnership Agreement of South Carolina Oncology Hematology Group, a South Carolina general partnership, substantially in the form set forth in Exhibit L.

Section 1.51 Taxes. As defined in Section 3.01(j) hereof.

Section 1.52 Transaction Documents. This Master Transaction Agreement, the Affiliation Agreement, the Contribution Agreements, the Employment Agreements, the Escrow Agreements, the Management Services Agreement, the New LLC Charter, the New LLC Operating Agreement, the New LLC Organizational Minutes, the Notes, the Option Agreement, the Purchase Agreement, the South Carolina Partnership Agreement, the joinder of New LLC contemplated by Section 2.01(c) hereof and each other document and instrument executed and delivered at the Closing.

ARTICLE II. RESTRUCTURING

Section 2.01 Pre-Closing Actions. Prior to the Closing, the following actions shall occur in the order set forth in this Section 2.01:

(a) each Physician and HOA shall terminate any existing employment and other agreements, oral, written or otherwise, between such Physician and HOA or the other Physicians;

(b) the Physicians shall cause New LLC to be duly organized and, to that end, shall cause (i) the New LLC Charter to be filed with the Secretary of the State of South Carolina, (ii) the New LLC Operating Agreement to be executed and delivered, (iii) the New LLC Organizational Minutes to be approved and (iv) interests of New LLC to be issued to the Physicians in the amount set forth in the New LLC Organizational Minutes for the consideration described therein; and

(c) New LLC shall execute and deliver a joinder to this Master Transaction Agreement pursuant to which it agrees to be bound by the terms and provisions of this Article II, Section 6.04 and Article XII hereof.

Section 2.02 Transfers. At the Closing, the steps set out below will occur as provided herein.

(a) Purchase Agreement. HOA and AOR Management shall execute and deliver the Purchase Agreement, and each Physician shall execute and deliver the noncompetition covenant attached thereto and forming a part thereof.

(b) Dissolution of HOA. After the occurrence of the events described in clause (a) of this Section 2.02, HOA shall dissolve and convey, assign and distribute its remaining assets (consisting solely of cash and Medical Assets) to the Physicians in accordance with their respective ownership interests in HOA. HOA shall distribute undivided interests in the Medical Assets to the Physicians.

(c) Contribution of Medical Assets. After the occurrence of the events described in clause (b) of this Section 2.02, each Physician and New LLC shall execute and deliver a Contribution Agreement pursuant to which such Physician shall contribute such Physician's undivided interest in the Medical Assets to New LLC. The costs of such assets contributed shall not constitute an Office Expense (as defined in the Management Services Agreement).

Section 2.03 Employment and Other Arrangements. At the Closing, after the occurrence of the events described in Section 2.02, New LLC and each of the Physicians shall execute and deliver an Employment Agreement; and Lloyd K. Everson, M.D. and the Physicians shall execute and deliver the Option Agreement.

Section 2.04 Execution of Management Services Agreement. At the Closing, after the occurrence of the events described in Section 2.03, AOR and New LLC shall execute and deliver the Management Services Agreement, and, in consideration of causing New LLC to execute and deliver the Management Services Agreement, AOR shall deliver the following consideration to the Physicians in the amounts and on the dates set forth below:

(a) At the Closing, AOR shall deliver to each Physician a Note in the original principal amount set forth opposite such Physician's name:

Physician	Principal Amount of Note
Reginald J. Brooker, M.D. Gerald W. King, M.D. W. Larry Gluck, M.D. Mark A. O'Rourke, M.D. Jeffrey K. Giguere, M.D.	[redacted]

; provided, however, that, to secure for New LLC the benefits of each Employment Agreement and as an additional inducement for the performance by each Physician of such Physician's obligations thereunder, in the event the Employment Agreement between New LLC and any Physician is terminated prior to the fifth anniversary of the Closing Date by (i) New LLC for cause and without such Physician's payment of the appropriate amount of liquidated damages, as specified in such Employment Agreement, or (ii) such Physician without cause and without such Physician's payment of the appropriate amount of liquidated damages, as specified in such Employment Agreement, then AOR shall set off to the maximum extent possible liquidated damages entitled to be received by AOR Management pursuant to the Management Services Agreement against amounts payable under such Physician's Note.

(b) At the Closing, AOR shall deliver to each Physician cash in the amount set forth opposite such Physician's name:

Physician	Cash Amount
Reginald J. Brooker, M.D. Gerald W. King, M.D. W. Larry Gluck, M.D. Mark A. O'Rourke, M.D. Jeffrey K. Giguere, M.D.	[redacted]

Payments of the cash amounts set forth above may be made, at the election of AOR, by delivery of an AOR check or by wire transfer to bank accounts designated by each of the Physicians.

(c) On [redacted] AOR shall deliver shares of AOR Common Stock to each Physician in the amounts set forth opposite such Physician's name:

Physician	Number of Shares of AOR Common Stock
Reginald J. Brooker, M.D. Gerald W. King, M.D. W. Larry Gluck, M.D. Mark A. O'Rourke, M.D. Jeffrey K. Giguere, M.D.	[redacted]

Section 2.05 Transfer of Management Services Agreement. At the Closing, after the occurrence of the events described in Section 2.04, AOR shall transfer and contribute to AOR Management all of AOR's right, title and interest in and to the Management Services Agreement, and AOR Management shall assume all liabilities, duties and obligations under the Management Services Agreement.

Section 2.06 Affiliation Arrangement. If, pursuant to Section 3.3(c) of the Management Services Agreement, the physician members of the Policy Board (as defined in the Management Services Agreement) approve any transaction with a physician group, as described in such Section 3.3(c), and if such physician group is required to execute and deliver the South Carolina Partnership Agreement and Affiliation Agreement, then at the closing of such transaction, New LLC shall execute and deliver the South Carolina Partnership Agreement and the Affiliation Agreement.

Section 2.07 Noncompetition and Confidentiality Covenants. In connection with the consummation of the transactions contemplated by this Master Transaction Agreement, and by executing and delivering certain of the other Transaction Documents, the Physician Parties and New LLC will be entering into certain noncompetition and confidentiality covenants. The Physician Parties and New LLC recognize that such covenants are an essential part of the transactions contemplated by this Master Transaction Agreement and certain other Transaction Documents and that, but for the contemplated agreement of the Physician Parties to comply with such covenants, the AOR Parties would not have entered into this Master Transaction Agreement.

ARTICLE III. REPRESENTATIONS OF THE PHYSICIAN PARTIES

Section 3.01 Representations of the Physician Parties. The Physician Parties jointly and severally represent and warrant to the AOR Parties that:

(a) Organization, Valid Authorization and Good Standing. HOA is a professional corporation duly organized, validly existing and in good standing under the laws of the State of South Carolina. New LLC will be a limited liability company duly

organized, validly existing and in good standing under the laws of the State of South Carolina on and after the Closing Date. HOA has the power and authority to own all of its properties and assets and to conduct the Practice prior to the Closing Date. New LLC will have the power and authority to own all of its properties and assets and to conduct the Practice on and after the Closing Date. HOA has, and New LLC will have, the power and authority to enter into the Transaction Documents to which it is a party and to carry out its obligations thereunder. The execution and delivery of the Transaction Documents to which HOA will be a party and the consummation of the transactions contemplated thereby have been duly and validly authorized by HOA, and no other corporate or other proceedings on the part of HOA are necessary to authorize such Transaction Documents and the transactions contemplated thereby. The execution and delivery of the Transaction Documents to which New LLC will be a party and the consummation of the transactions contemplated thereby will be duly and validly authorized by New LLC, and no other corporate or other proceedings on the part of New LLC will be necessary to authorize such Transaction Documents and the transactions contemplated thereby. This Master Transaction Agreement has been duly and validly executed and delivered by HOA and constitutes the valid and binding agreement of HOA enforceable against it in accordance with its terms. Each Transaction Document executed and delivered by HOA or New LLC will upon such execution and delivery constitute the valid and binding agreement of such party enforceable against it in accordance with its terms.

(b) Compliance. Except as disclosed on the Disclosure Schedule, the execution and delivery of the Transaction Documents and the consummation of the transactions contemplated thereby by HOA and New LLC will not (i) violate any provision of their respective organizational documents, (ii) violate any material provision of or result in the breach of or entitle any party to accelerate (whether after the giving of notice or lapse of time or both) any material obligation under, any mortgage, lien, lease, contract, license, instrument or any other agreement to which HOA is a party or New LLC, on the Closing Date, will be a party, (iii) result in the creation or imposition of any material lien, charge, pledge, security interest or other material encumbrance upon any property of HOA or New LLC or (iv) to the best of the Physician Parties' knowledge, violate or conflict with any order, award, judgement or decree or other material restriction or any law, ordinance or regulation to which HOA or New LLC or its property is or will be subject.

(c) Approvals. To the best of the Physician Parties' knowledge, no consent, approval, order or authorization of, or registration, declaration or filing with, any Governmental Authority or other person is required in connection with the execution and delivery of the Transaction Documents by HOA or New LLC or the consummation by it of the transactions contemplated thereby, except for those consents or approvals set forth in the Disclosure Schedule.

(d) Financial Statements. HOA has furnished to the AOR Parties HOA's audited financial statements for the year ended December 31, 1993, and for the eight-month period ended August 31, 1994, consisting of a balance sheet, the related statement of income and changes in stockholders' equity, together with the report thereon of Price Waterhouse, independent accountants (the "HOA Audited Financial Statements"). In addition, HOA has furnished to the AOR Parties HOA's unaudited financial statements for the two-month period ended October 31, 1994, consisting of a balance sheet, the related statement of income and changes in stockholders' equity (collectively, the "HOA Unaudited Financial Statements"). To the best of the Physician Parties' knowledge, except as disclosed on the Disclosure Schedule, and, with respect to HOA Unaudited Financial Statements, except for the omission of footnotes, preparation in summary or condensed form and the effect of normal, recurring year-end adjustments, HOA Audited Financial Statements and HOA Unaudited Financial Statements (i) have been prepared in accordance with GAAP, (ii) are true, complete and correct in all material respects as of the respective dates and for the respective periods above stated and (iii) fairly present the financial position of HOA at such dates and the results of its operations for the periods ended on such dates. Except as set forth in the Disclosure Schedule, each of HOA Audited Financial Statements and HOA Unaudited Financial Statements reflects all of the liabilities and obligations of HOA that are required to be reflected or disclosed therein in accordance with GAAP. For purposes of this Master Transaction Agreement, the balance sheet of HOA included in HOA Audited Financial Statements is referred to as the "HOA Balance Sheet" and the date thereof is referred to as the "HOA Balance Sheet Date."

(e) Undisclosed Liabilities. To the best of the Physician Parties' knowledge, HOA does not have any liability (whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, whether due or to become due, and whether choate or inchoate) individually or in the aggregate in excess of $10,000, and there is no basis for any present or future action, suit, proceeding, hearing, investigation, charge, complaint, claim or demand against HOA giving rise to any liability, except as set forth on HOA Balance Sheet, the balance sheet included in HOA Unaudited Financial Statements or on the Disclosure Schedule.

(f) Absence of Changes or Events. Except as set forth on the Disclosure Schedule, since the HOA Balance Sheet Date, HOA has conducted the Practice only in the ordinary course of business, and HOA has not:

(i) Incurred any obligation or liability, absolute, accrued, contingent or otherwise, whether due or to become due, whether individually or in the aggregate, that has had or might have a material adverse effect on HOA or the Practice;

(ii) Pledged or subjected to any material lien, charge, security interest or any other encumbrance or restriction on any of its assets;

(iii) Sold, transferred, leased to others or otherwise disposed of any of its assets material to the operation of the Practice, except in the ordinary course of the business of HOA;

(iv) Canceled or compromised any material debt or claim, or waived or released any right of substantial value;

(v) Received any notice of termination of any contract, lease or other agreement, or suffered any damage, destruction or loss that, individually or in the aggregate, has had or might have a material adverse effect on HOA or the Practice;

(vi) Instituted, settled or agreed to settle any litigation, action, proceeding or arbitration;

(vii) Failed to replenish its inventory or supplies in a normal and customary manner or made any material purchase commitment other than in the ordinary course of business of HOA;

(viii) Failed to pay any accounts or notes payable or any other obligations on a timely basis consistent with the practices of HOA during the three-month period ending with the date of execution of the letter of intent among AOR and the Physician Parties.

(ix) Entered into any material transaction, contract or commitment other than in the ordinary course of the business of HOA;

(x) Suffered any event or events, whether individually or in the aggregate, that has had or could be reasonably expected to have a material adverse effect on the financial condition, results of operations, properties, assets, liabilities, business, operations or prospects of HOA or the Practice;

(xi) Made any material change in the rate of compensation, commission, bonus or other remuneration payable, or paid or agreed to pay any material bonus, extra compensation, pension, severance or vacation pay, to any partner or employee;

(xii) Issued any equity interests, declared or paid any distribution or entered into any agreement or understanding to do or engage in any of the foregoing actions;

(xiii) Engaged in any activities or practices other than the Practice; or

(xiv) Entered into any agreement or made any commitment to take any of the actions described in Subsections (i) through (xiii) inclusive of this Section 3.01(f).

(g) Litigation. Except as disclosed on the Disclosure Schedule, there are no material claims, actions, suits, proceedings (arbitration or otherwise) or investigations pending or, to the best of the Physician Parties' knowledge, threatened against HOA or the Practice at law or in equity in any court or before or by any Governmental Authority, and, to the best of the Physician Parties' knowledge, there are no, and have not been any, facts, conditions or incidents that may result in any such actions, suits, proceedings (arbitration or otherwise) or investigations. To the best of the Physician Parties' knowledge, neither HOA nor the Practice is in default in respect of any judgment, order, writ, injunction or decree of any court or other Governmental Authority.

(h) Permits; Compliance with Laws. HOA has all permits, licenses, orders and approvals of all Governmental Authorities material to the conduct of the Practice, a true and correct list of which is set forth on the Disclosure Schedule. To the best of the Physician Parties' knowledge, all such permits, licenses, orders and approvals are in full force and effect, and no suspension or cancellation of any of them is pending or threatened. To the best of the Physician Parties' knowledge, none of such permits, licenses, orders or approvals, and no application for any of such permits, licenses, orders or approvals, will be adversely affected by the consummation of the transactions contemplated by this Master Transaction Agreement or any other Transaction Document. Except as set forth on the Disclosure Schedule, no consent or approval is required for, and no other impediment or restriction exists that will prohibit or limit, the transfer of any of such permits, licenses, orders and approvals (and any applications therefor) in accordance with the terms of the Transaction Documents. The Physician Parties have not received any written notice of violation that HOA in its conduct of the Practice has not complied in any material respects with any rule or regulation of any Governmental Authority having authority over HOA, including without limitation, agencies concerned with occupational safety, environmental protection, employment practices, and Medicare and Medicaid requirements applicable to HOA's billing procedures (except denials of claims in the ordinary course of business).

(i) Insurance. The Disclosure Schedule sets forth a complete and correct list of all insurance policies obtained and maintained by HOA or the Physicians in connection with the operation of the Practice. Such insurance policies are in full force and effect, and all premiums due on such policies have been paid. The insureds under each such policy have complied in all material respects with the provisions of all such policies. Except as set forth on the Disclosure Schedule, no consent or approval is required for, and no other impediment or restriction exists that will prohibit or limit, the transfer of any such insurance policies included within the Nonmedical Assets in accordance with the terms of the Purchase Agreement. HOA and the Physicians have made available to the AOR Parties complete and correct copies of all such policies,

together with all riders and amendments thereto. HOA and the Physicians have also set forth on the Disclosure Schedule a list of malpractice insurance policies previously maintained within the last ten (10) years by them. They have also set forth on such Disclosure Schedule a list of all malpractice claims and similar types of claims, actions or proceedings asserted against any of the Physicians or HOA at any time within the last ten (10) years.

(j) Tax Matters. To the best of the Physician Parties' knowledge, all federal, state, local and foreign tax returns required to be filed by HOA prior to the date hereof have been filed on a timely basis with the appropriate Governmental Authorities in all jurisdictions in which such returns are required to be filed and all such returns are true and correct. To the best of the Physician Parties' knowledge, all federal, state, local and foreign income, franchise, sales, use, property, and all other taxes, fees, assessments or other governmental changes (including withholding taxes), and all interest and penalties thereon (all of the foregoing, collectively "Taxes") due from, or properly accruable by, HOA with respect to taxable periods ending on or prior to, and the portion of any interim period through, the date hereof have been fully and timely paid or, in the case of Taxes for which payment is not yet required, properly and fully accrued for on HOA Audited Financial Statements (or, in the case of Taxes that have accrued since HOA Balance Sheet Date, on HOA Unaudited Financial Statements). The AOR Parties will not after the Closing owe, or be liable directly or indirectly, to any other person or entity for all taxes imposed upon HOA. HOA is not currently the subject of any audit, examination or any similar investigation by any Governmental Authority. The Disclosure Schedule sets forth all audits, examinations or similar investigations of HOA by any Governmental Authority since January 1, 1990. The consummation of the transactions contemplated by the Purchase Agreement will not be subject to any sales or other transfer tax of any state or local taxing authority.

(k) Contracts. Set forth on the Disclosure Schedule is a complete and correct list of all material agreements, contracts and commitments, written or oral, to which HOA is a party or by which it or any of its properties or the Practice is bound, including without limitation: (i) mortgages, indentures, notes, letters or credit, security agreements and other agreements and instruments relating to the borrowing of money by or extension of credit to or by HOA; (ii) employment and consulting agreements, employee benefit, profit-sharing and retirements plans and all collective bargaining agreements; (iii) all joint venture or partnership agreements to which HOA is a party; (iv) licenses of software and any patent, trademark and other intellectual property rights; (v) agreements or commitments for capital expenditures; (vi) brokerage or finder's agreements; (vii) agreements regarding clinical research; and (viii) agreements with payors, leases for real or personal property and contracts to provide medical or health-care services. HOA has made available to the AOR Parties complete and correct copies of all written agreements, contracts and commitments, together with all amendments thereto, and accurate descriptions of all oral agreements, set forth on the list on the Disclosure Schedule. All such agreements, contracts and commitments are in full force

and effect and, to the best of the Physician Parties' knowledge, all parties thereto have performed all material obligations required to be performed by them to date, are not in default in any material respect thereunder, and have not violated any representation or warranty, explicit or implied, contained therein. No claim or default by any party has been made or is now pending under any such agreement, contract or commitment, and, to the best of the Physician Parties' knowledge, no event has occurred and is continuing that with notice or the passing of time or both would constitute a default thereunder or would excuse performance by any party thereto. Except as set forth in the Disclosure Schedule, no consents or approvals are required under the terms of any agreement listed on the Disclosure Schedule in connection with any of the transactions contemplated by the Transaction Documents including, without limitation, the transfer of any such agreement pursuant to the Purchase Agreement.

(l) Employee Benefit Plans. Except as set forth on the Disclosure Schedule, neither HOA nor any other entity, whether or not incorporated, which is deemed to be under common control (as defined in Section 414 of the Code or 4001(b) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), with HOA ("Commonly Controlled Entity") maintains or contributes to any employee pension benefit plan (as defined in Section 3(2) of ERISA) that is a defined contribution plan described in Section 3(34) of ERISA or Section 414(i) of the Code, or that is a defined benefit plan described in Section 3(35) of ERISA or Section 414(j) of the Code, and that gives, or will give, rise to any liability of HOA for (i) any premium payments due under Section 4007 of ERISA with respect to any such defined benefit plan, or (ii) any unpaid minimum funding contributions that would result in the imposition of a lien on any assets of HOA pursuant to Section 412(c)(11) of the Code or Section 302(c)(11) of ERISA. Neither HOA nor any Commonly Controlled Entity sponsors or sponsored, or maintains or maintained, any defined benefit plan (described in the immediately preceding sentence) that has been, or will be, terminated in a manner that would result in any liability of HOA to the Pension Benefit Guaranty Corporation or that would result in the imposition of a lien on any assets of HOA pursuant to Section 4068 of ERISA. At no time during the five (5) consecutive year period immediately preceding the first day of the year in which the Closing Date occurs has HOA or any Commonly Controlled Entity participated in or contributed to any multiemployer plan defined in Section 4001(a)(3) of ERISA, or Section 414(f) of the Code, nor during such period has HOA or any Commonly Controlled Entity had an obligation to participate in or contribute to any such multiemployer plan. Except as set forth on the Disclosure Schedule, HOA is not obligated under any agreement or other arrangement pursuant to which compensation or benefits will become payable as a result of the consummation of the transactions contemplated in this Master Transaction Agreement. Neither HOA nor any of its respective directors, officers, employees or agents, has, with respect to any employee benefit plan (as defined in Section 3(3) of ERISA), that is or has been established by or contributed to, or with respect to which costs or liabilities are accrued by HOA, engaged in any conduct that would result in any material taxes or penalties on prohibited transactions under Section 4975 of the Code or under Section 502(i) or (1) of ERISA or

in breach of fiduciary duty liability under Section 409 of ERISA which, in the aggregate, could be material to the business, financial condition or results of operation of HOA, taken as a whole, and no actions, investigations, suits or claims with respect to the fiduciaries, administrators or assets of any such employee benefit plan (other than routine claims for benefits) is pending or threatened, which, in the aggregate could reasonably be expected to give rise to material liability of HOA, that could be material to the business, financial condition or results of operations of HOA, taken as a whole. None of the HOA welfare benefit plans (as defined in Section 3(1) of ERISA) provides for or promises retiree medical, disability or life insurance benefits to any current or former employee, officer or director of HOA other than "continuation coverage" required under the Controlled Omnibus Budget Reconciliation Act of 1985. Any and all plans, policies, programs or arrangements of HOA or any Commonly Controlled Entity which are subject to Section 4980B of the Code have been and are in compliance with the requirements of Section 4980B of the Code and Part 6 of Title I of ERISA. HOA will remain fully liable with respect to all plans, programs, policies or other arrangements, including but not limited to any pension, profit-sharing, thrift or other retirement plan; deferred compensation; or any other pension benefit plan of any kind; stock ownership, stock purchase, performance share, bonus or other incentive plan; severance plan; disability, medical, dental, vision or other health plan; life insurance or death benefit plan; vacation, sick leave, holiday or other paid leave plan; cafeteria plan, medical flexible spending account reimbursement plan; dependent care plan; or any other welfare benefit plan of any kind; or any other benefit plan, policy, program or arrangement whether or not any such plan, policy, program or other arrangement is, or is intended to be, qualified under Section 401(a) of the Code, and whether or not any such plan, policy, program or arrangement is subject to the provisions of ERISA, and the AOR Parties will not be required to assume by law or under any form of any such plans, policies, programs or arrangements any of the liabilities for or under such plans, policies, programs or arrangements.

(m) Environmental Protection. To the best of the Physician Parties' knowledge, HOA has obtained all permits, licenses and other authorizations that are required for the conduct of its Practice under any federal, state and local laws and the regulations promulgated thereunder relating to pollution or protection of the environment, including laws relating to emissions, discharges, releases or threatened releases of hazardous substances, materials or wastes (collectively, "Hazardous Wastes"), into the environment (including, without limitation, ambient air, surface water, ground water, or land), or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Wastes (collectively, "Environmental Laws"). To the best of the Physician Parties' knowledge, HOA and the Practice is in material compliance with all terms and conditions of such required permits, licenses and authorizations, and is also in compliance with all applicable Environmental Laws. Except as set forth on the Disclosure Schedule, no consent or approval is required for, and no other impediment or restriction exists that will prohibit or limit, the transfer of such permits, licenses and authorizations in accordance with the terms of the Purchase

Agreement. There are no pending or, to the best of the Physician Parties' knowledge, threatened, investigations, actions or proceedings of whatsoever nature involving HOA or the Practice arising under any Environmental Laws.

(n) Labor Matters. Except as described on the Disclosure Schedule, none of the employees of HOA is represented by any union or other collective bargaining representative, and there are no contracts for the employment of any officer or employee of HOA in effect. HOA is not aware of any organizational efforts by any union directed towards any of the employees of HOA. Except as listed on the Disclosure Schedule, there has not been, nor to the knowledge of HOA is there threatened or contemplated, any strike, slowdown, picketing or work stoppage by any employees of HOA, any lockout of any of such employees or any labor trouble or other occurrence, event or condition of a similar character materially affecting, individually or in the aggregate, or which may materially affect, individually or in the aggregate, the operations, assets, properties or prospects of HOA or the Practice.

(o) Employees. The Disclosure Schedule sets forth a complete list of the names and positions held of all employees of HOA, and the current annual rate of compensation (including bonuses) paid to each such employee.

(p) Brokers. All negotiations relating to the Transaction Documents and the transactions contemplated hereby have been carried on without the intervention of any person acting on behalf of the Physician Parties as a group in such manner as to give rise to any valid claim for any broker's or finder's fee or similar compensation.

(q) Disclosure. To the best of the Physician Parties' knowledge, no representation, warranty or statement made by any of the Physician Parties in this Master Transaction Agreement or any of the exhibits or schedules hereto, or any agreements, certificates, documents or instruments delivered or to be delivered to the AOR Parties in accordance with this Master Transaction Agreement or the other Transaction Documents, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading. The Physician Parties do not know of any fact or condition (other than general economic conditions or legislative or administrative changes in health-care delivery) which materially adversely affects, or in the future may materially adversely affect, the condition, properties, assets, liabilities, business, operations or prospects of the Practice which has not been set forth herein or in the Disclosure Schedule.

Section 3.02 Representations of the Physicians. Each of the Physicians severally represents and warrants to the AOR Parties as to himself that:

(a) Valid Authorization. Such Physician is competent and has full power, capacity and authority to enter into the Transaction Documents to which such Physician

is a party and to carry out such Physician's obligations thereunder. This Master Transaction Agreement has been duly and validly executed and delivered by such Physician and constitutes the valid and binding agreement of such Physician enforceable against such Physician in accordance with its terms. Each Transaction Document executed and delivered at the Closing by such Physician will upon such execution and delivery constitute the valid and binding agreement of such Physician enforceable against such Physician in accordance with its terms.

(b) Compliance. Except as set forth on the Disclosure Schedule, the execution and delivery of the Transaction Documents and the consummation of the transactions contemplated thereby by such Physician will not (i) violate any material provision of or result in the breach of or entitle any party to accelerate (whether after the giving of notice or lapse of time or both) any material obligation under any mortgage, lien, lease, contract, license, instrument or any other agreement to which such Physician is a party, (ii) result in the creation or imposition of any material lien, charge, pledge, security interest or other encumbrance upon any property of such Physician or (iii) to the best of such Physician's knowledge, violate or conflict with any order, award, judgment or decree or other material restriction or any law, ordinance or regulation to which such Physician or the property of such Physician is subject.

(c) Approvals. To the best of such Physician's knowledge, no consent, approval, order or authorization of, or registration, declaration or filing with, any Governmental Authority or other person is required in connection with the execution and delivery of the Transaction Documents by such Physician or the consummation by such Physician of the transactions contemplated thereby.

(d) Litigation. Except as disclosed on the Disclosure Schedule, there are no claims, actions, suits or proceedings (arbitration or otherwise) pending or, to such Physician's knowledge, threatened against such Physician at law or at equity in any court or before or by any Governmental Authority arising out of or otherwise relating to such Physician's practice of medicine, and, to such Physician's knowledge, there are no, and within the last five (5) years have not been any, facts, conditions or incidents that may result in any such actions, suits, proceedings (arbitration or otherwise) or investigations. Such Physician is not in default in respect of any judgement, order, writ, injunction or decree of any court or other Governmental Authority known to such Physician. Except as set forth on the Disclosure Schedule, there have been no disciplinary, revocation or suspension proceedings or similar types of claims, actions or proceedings, hearings or investigations against any of the Physicians or HOA within the last five (5) years.

(e) Permits. To the best of such Physician's knowledge, such Physician has all permits, licenses, orders and approvals of all Governmental Authorities necessary to perform the services performed by such Physician in connection with the conduct of the Practice. All such permits, licenses, orders and approvals are in full force and effect and no suspension or cancellation of any of them is pending or threatened. To the best of

party and to carry out its obligations thereunder. The execution and delivery of the

such Physician's knowledge, none of such permits, licenses, orders or approvals, and no application for any of such permits, licenses, orders or approvals will be adversely affected by the consummation of the transactions contemplated by the Transaction Documents. Such Physician is a participating physician, as such term is defined by the Medicare program, and such Physician has not been disciplined, sanctioned or excluded from the Medicare program and has not been subject to any plan of correction imposed by any professional review body within the last five (5) years.

(f) Staff Privileges. The Disclosure Schedule lists all hospitals at which such Physician has full staff privileges. Such staff privileges have not been revoked, surrendered, suspended or terminated, and to such Physician's knowledge, there are no, and have not been any, facts, conditions or incidents that may result in any such revocation, surrender, suspension or termination.

(g) Brokers. All negotiations relating to the Transaction Documents and the transactions contemplated hereby have been carried on without the intervention of any person acting on behalf of such Physician in such manner as to give rise to any valid claim for any broker's or finder's fee or similar compensation.

(h) Intentions. Except as set forth on the Disclosure Schedule, from and after the Closing Date, such Physician intends to continue practicing medicine on a full-time basis for the next five (5) years with New LLC and does not know of any fact or condition that materially adversely affects, or in the future may materially adversely affect, his ability or intention to practice medicine on a full-time basis for the next five years with New LLC.

(i) Disclosure. Such Physician does not know of any fact or condition (other than general economic conditions or legislative or administrative changes in health-care delivery) that materially adversely affects, or in the future may materially adversely affect, the condition, properties, assets, liabilities, business, operations or prospects of the Practice that has not been set forth herein or in the Disclosure Schedule.

ARTICLE IV. REPRESENTATIONS OF THE AOR PARTIES

Section 4.01 Representations of the AOR Parties. The AOR Parties jointly and severally represent and warrant to each of the Physicians that:

(a) Organization, Valid Authorization and Good Standing. Each of the AOR Parties is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Each of the AOR Parties has the power and authority to own all of its properties and assets and to conduct its business. Each of the AOR Parties has the power and authority to enter into the Transaction Documents to which it is a party and to carry out its obligations thereunder. The execution and delivery of the

Transaction Documents to which it is a party and the consummation of the transactions contemplated thereby have been duly and validly authorized by the Board of Directors of each of the AOR Parties, and no other corporate or other proceedings on the part of either of the AOR Parties are necessary to authorize the Transaction Documents and the transactions contemplated thereby. This Master Transaction Agreement has been duly and validly executed and delivered by each of the AOR Parties and constitutes the valid and binding agreement of each of the AOR Parties enforceable against the AOR Parties, in accordance with its terms. Each Transaction Document executed and delivered at the Closing by an AOR Party will upon such execution and delivery constitute the valid and binding agreement of such AOR Party, enforceable against such AOR Party in accordance with its terms.

(b) Compliance. The execution and delivery of the Transaction Documents and the consummation of the transactions contemplated thereby by the AOR Parties will not (i) violate any provision of their respective charters or bylaws, (ii) violate any material provision of or result in the breach of or entitle any party to accelerate (whether after the giving of notice or lapse of time or both) any material obligation under, any mortgage, lien, lease, contract, license, instrument or any other agreement to which either of the AOR Parties is a party, (iii) result in the creation or imposition of any material lien, charge, pledge, security interest or other encumbrance upon any property of either of the AOR Parties or (iv) violate or conflict with any order, award, judgement or decree or other material restriction or any law, ordinance or regulation to which either of the AOR Parties or the property of either of the AOR Parties is subject.

(c) Approvals. No consent, approval, order or authorization of, or registration, declaration or filing with, any Governmental Authority or other person is required in connection with the execution and delivery of the Transaction Documents by either of the AOR Parties or the consummation by either of the AOR Parties of the transactions contemplated thereby, except for (i) any filings and approvals required under the rules and regulations of the Securities and Exchange Commission, and filings and approvals required by the Blue Sky laws of the various states and (ii) the approval by First Union National Bank of North Carolina of the transactions contemplated by the Transaction Documents.

(d) Capitalization. The authorized capital stock of AOR consists of (i) 25,000,000 shares of AOR Common Stock of which, as of the date of this Master Transaction Agreement, 7,632,982 shares are issued and outstanding, and (ii) 1,000,000 shares of Preferred Stock, $.01 par value per share, none of which is outstanding. All of the issued and outstanding shares of AOR Common Stock are, and all shares of AOR Common Stock to be issued pursuant to the transactions described in Article II of this Master Transaction Agreement will be, validly issued, fully paid and non-assessable.

(e) Financial Statements. AOR has furnished to the Physician Parties AOR's audited financial statements for the year ended December 31, 1993, consisting

of a balance sheet, the related statement of income and changes in stockholders' equity (the "AOR Audited Financial Statements"). In addition, AOR has furnished to the Physician Parties AOR's unaudited financial statements for the nine-month period ended September 30, 1994, consisting of a balance sheet, the related statement of income and changes in stockholders' equity (the "AOR Unaudited Financial Statements"). With respect to the AOR Unaudited Financial Statements, except for the omission of footnotes, preparation in summary or condensed form and the effect of normal, year-end adjustments, the AOR Audited Financial Statements and the AOR Unaudited Financial Statements (i) have been prepared in accordance with GAAP, (ii) are true, complete and correct in all material respects as of their date and for the period above stated and (iii) fairly present the financial position of AOR at such date and the results of its operations for the period ended on such date. Except as set forth on the Disclosure Schedule, each of the AOR Audited Financial Statements and the AOR Unaudited Financial Statements reflects all of the liabilities and obligations of AOR that are required to be reflected or disclosed therein in accordance with GAAP.

(f) Litigation. There are no claims, actions, suits, proceedings (arbitration or otherwise) or investigations pending or, to either of the AOR Parties' knowledge, threatened against either of the AOR Parties at law or in equity in any court or before or by any Governmental Authority, and, to such AOR Parties' knowledge, there are no, and have not been any, facts, conditions or incidents that may result in any such actions, suits, proceedings (arbitration or otherwise) or investigations. Neither of the AOR Parties is in default in respect of any judgment, order, writ, injunction or decree of any court or other Governmental Authority.

(g) Brokers. All negotiations relating to the Transaction Documents and the transactions contemplated hereby have been carried on without the intervention of any person acting on behalf of the AOR Parties in such manner as to give rise to any valid claim for any broker's or finder's fee or similar compensation.

(h) Disclosure. No representation, warranty or statement made by any of the AOR Parties in this Master Transaction Agreement or any of the exhibits or schedules hereto, or any agreements, certificates, documents or instruments delivered or to be delivered to the Physician Parties in accordance with this Master Transaction Agreement or the other Transaction Documents or in the Private Placement Memorandum dated November 11, 1994, together with, or as amended by, any supplement to such Private Placement Memorandum, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading.

ARTICLE V. PRE-CLOSING COVENANTS OF HOA AND THE PHYSICIANS

Section 5.01 Conduct of Business. From the date hereto to the Closing, except with the prior written consent of AOR, or except as otherwise provided for in this Master Transaction Agreement, HOA will, and the Physicians will use their best efforts to cause HOA to:

(a) carry on its business in, and only in, the usual, regular and ordinary course in substantially the same manner as heretofore and use its best efforts to preserve intact its present business organization, keep available the services of its present officers and employees, and preserve its relationships with customers, contractors, institutional health care providers, health care professionals and others having business dealings with it to the end that its goodwill and going business shall be unimpaired on the Closing Date;

(b) keep in full force and effect insurance comparable in amount and scope of coverage to insurance now carried by it;

(c) perform all of its obligations under agreements, contracts and instruments relating to or affecting its properties, assets and business;

(d) maintain its books of account and records in the usual, regular and ordinary manner;

(e) comply with all statutes, laws, ordinances, rules and regulations applicable to it and to the conduct of its business;

(f) not enter into, assume or amend in any material respect any agreement, contract or commitment of the character referred to in Section 3.01(k);

(g) not merge or consolidate with or purchase substantially all of the assets of, or otherwise acquire, any corporation, partnership, association or other business;

(h) not sell, transfer or convey all or substantially all of the assets of HOA;

(i) not take, or permit to be taken, any action which is represented and warranted in Section 3.01(f) not to have been taken since HOA Balance Sheet Date;

(j) promptly advise AOR in writing of any material adverse change in its financial condition, results of operations, properties, assets, liabilities, business operations or prospects or in the Practice;

(k) not increase salaries or other compensation of employees of HOA;

(l) not issue any shares or other equity interests or effect any stock split or other reclassification or declare or pay any dividends or similar types of distributions;

(m) not create, incur, assume, guarantee or otherwise become directly or indirectly liable with respect to any indebtedness for borrowed money other than in the ordinary course of business under agreements existing on the date hereof and identified on the Disclosure Schedule;

(n) not solicit, facilitate or encourage any inquiries or proposals for the acquisition of its stock, assets or business, or authorize or permit any officer, director, employee, investment banker, attorney or other representative, directly or indirectly, on its behalf, to cooperate or negotiate with, or otherwise to provide any information to, any person or entity with respect to such inquiries or proposals, or accept any offer from any such person or entity to purchase HOA or its business or assets or stock in whole or in part;

(o) pay all account payables and collect all account receivables of the Practice only in the ordinary course of business consistent with prudent past practice, not accelerate collection of accounts receivable or defer payment of accounts payable in anticipation of the Closing and not purchase drugs or supplies on terms and conditions not in the ordinary course, consistent with past practice; and

(p) not enter into any agreement or understanding to do or engage in any of the foregoing actions described in paragraphs (f) through (i) and (k) through (o).

Section 5.02 Access to Information and Records Before Closing. AOR may, at its expense, prior to the Closing Date, make, or cause to be made, such investigation of the Practice, and of the assets, liabilities, operations and properties of HOA and of its financial and legal condition as AOR deems necessary or advisable to familiarize itself with such matters. HOA shall permit AOR and its representatives (including legal counsel and independent accountants) upon reasonable notice to have full access to the properties and relevant books and records of HOA and of the Practice, at reasonable business hours, and will cause its employees to furnish AOR with such financial and operating data and other information and copies of documents with respect to the services, operations and properties of HOA and the Practice as AOR may from time to time request.

ARTICLE VI. ADDITIONAL AGREEMENTS

Section 6.01 Compliance with Conditions Precedent; Further Assurances.

(a) Each party hereto shall use such party's good faith efforts to cause the conditions precedent to the Closing set forth in Article VII hereof to be fulfilled and, subject to the terms and conditions herein provided, to take, or cause to be taken, all action, and to do or cause to be done all things necessary, proper or advisable under

applicable laws and regulations to consummate and make effective the transactions contemplated by this Master Transaction Agreement and the other Transaction Documents. In case at any time after the Closing any further actions are necessary or desirable to carry out the purposes of this Master Transaction Agreement or the other Transaction Documents, each party shall take all such necessary actions.

(b) Without limiting the generality of the foregoing, each Physician Party shall use its best efforts to cause the satisfaction of the condition precedent set forth in Section 7.01(a) hereof and the condition precedent set forth in Section 7.02(a) hereof.

Section 6.02 Certain Notifications. At all times from the date hereof until the Closing, each party shall promptly notify the others in writing of the occurrence of any event which will or may result in the failure to satisfy any of the conditions specified in Article VII.

Section 6.03 Investment Representations and Covenants of Physicians.

(a) Each Physician understands that the Securities will not be registered under the Securities Act or any state securities laws on the grounds that the issuance of the Securities is exempt from registration pursuant to Section 4(2) of the Securities Act or Regulation D promulgated under the Securities Act and applicable state securities laws, and that the reliance of AOR on such exemptions is predicated in part on the Physician's representations, warranties, covenants and acknowledgements set forth in this Section 6.03.

(b) Except as disclosed on the Investment Representations Schedule attached hereto, each Physician represents and warrants that such Physician is an "accredited investor" as defined in Rule 501 promulgated under the Securities Act.

(c) Each Physician represents and warrants that the Securities to be acquired by such Physician upon consummation of the transactions described in Article II of this Master Transaction Agreement will be acquired by such Physician for such Physician's own account, not as a nominee or agent, and without a view to resale or other distribution within the meaning of the Securities Act and the rules and regulations thereunder, except as contemplated in Article XI hereof, and that such Physician will not distribute any of the Securities in violation of the Securities Act.

(d) Each Physician represents and warrants that the address set forth below such Physician's name in the Investment Representations Schedule is such Physician's principal residence.

(e) Each Physician (i) acknowledges that the Securities issued to such Physician at the Closing must be held indefinitely by such Physician unless subsequently registered under the Securities Act or an exemption from registration is available, (ii) is aware that any routine sales of Securities made pursuant to Rule 144 under the Securities

Act may be made only in limited amounts and in accordance with the terms and conditions of that Rule and that in such cases where the Rule is not applicable, compliance with some other registration exemption will be required, and (iii) is aware that Rule 144 is not currently available for use by such Physician for resale of any of the Securities to be acquired by such Physician upon consummation of the transactions described in Article II of this Master Transaction Agreement.

(f) Each Physician represents and warrants to AOR that such Physician has such knowledge and experience in financial and business matters such that such Physician is capable of evaluating the merits and risks of such Physician's investment in any of the Securities to be acquired by such Physician upon consummation of the transactions described in Article II of this Master Transaction Agreement.

(g) Each Physician confirms that such Physician has received and read the Confidential Private Placement Memorandum of AOR dated November 11, 1994, together with any supplement thereto. Each Physician also confirms that AOR has made available to such Physician the opportunity to ask questions of and receive answers from it concerning the terms and conditions of such Physician's investment in the Securities, and the Physician has received to such Physician's satisfaction, such additional information, in addition to that set forth herein, about AOR's operations and the terms and conditions of the offering as such Physician has requested.

(h) In order to ensure compliance with the provisions of paragraph (c) hereof, each Physician agrees that after the Closing such Physician will not sell or otherwise transfer or dispose of Securities or any interest therein (unless such shares have been registered under the Securities Act) without first complying with either of the following conditions, the expenses and costs of satisfaction of which shall be fully borne and paid for by such Physician:

(i) AOR shall have received a written legal opinion from legal counsel, which opinion and counsel shall be satisfactory to AOR in the exercise of its reasonable judgment, or a copy of a "no-action" or interpretive letter of the Securities and Exchange Commission specifying the nature and circumstances of the proposed transfer and indicating that the proposed transfer will not be in violation of any of the registration provisions of the Securities Act and the rules and regulations promulgated thereunder; or

(ii) AOR shall have received an opinion from its own counsel to the effect that the proposed transfer will not be in violation of any of the registration provisions of the Securities Act and the rules and regulations promulgated thereunder.

Each Physician also agrees that the certificates or instruments representing the Securities to be issued to such Physician pursuant to this Master Transaction Agreement may contain a restrictive

legend noting the restrictions on transfer described in this Article and required by federal and applicable state securities laws, and that appropriate "stop-transfer" instructions will be given to AOR's transfer agent, if any, provided that this paragraph (h) shall no longer be applicable to any Securities following their transfer pursuant to a registration statement effective under the Securities Act or in compliance with Rule 144 or if the opinion of counsel referred to above is to the further effect that transfer restrictions and the legend referred to herein are no longer required in order to establish compliance with any provisions of the Securities Act.

Section 6.04 No Corporate Practice. No Physician Party has knowledge that the actions, transactions or relationships arising from, and contemplated by the Transaction Documents violate any law, rule or regulation relating to the corporate practice of medicine. Each Physician Party accordingly agrees that such Physician Party will not, in an attempt to void or nullify any Transaction Document or any relationship involving any AOR Party or any Physician Party, sue, claim, aver, allege or assert that any such Transaction Document or any such relationship violates any law, rule or regulation relating to the corporate practice of medicine; provided, however, such Physician Party is entitled to make any such claim, assessment, allegation or assertion if such Physician Party reasonably believes, on advice from counsel, that failure to terminate such Transaction Document or such relationship will subject such Physician Party to material liability or will materially adversely affect such Physician Party's right to practice medicine.

Section 6.05 Current Public Information. At all times following the registration of any of AOR's securities under the Securities Act or Exchange Act pursuant to which AOR becomes subject to the reporting requirements of the Exchange Act, AOR shall use commercially reasonably efforts to comply with the requirements of Rule 144 under the Securities Act, as such Rule may be amended from time to time (or any similar rule or regulation hereafter adopted by the SEC) regarding the availability of current public information to the extent required to enable any holder of shares of AOR Common Stock to sell such shares without registration under the Securities Act pursuant to Rule 144 (or any similar rule or regulation). Upon the request of any holder of the shares of AOR Common Stock issued pursuant to the Purchase Agreement, AOR will deliver to such holder a written statement as to whether AOR has complied with such requirements.

Section 6.06 Rule 144 Covenant. AOR represents and warrants that its legal counsel has advised AOR that the holding period, as determined by Rule 144(d)(3)(iii) enacted under the Securities Act of 1933, as in effect on the date hereof (the "Holding Period"), for any shares of AOR Common Stock acquired by any Physician pursuant to Section 2.04(c) of the Master Transaction Agreement likely commences on the Closing Date. The AOR Parties represent and warrant that such Holding Period for any shares of AOR Common Stock acquired by any Physician pursuant to Section 2.04(c) of the Master Transaction Agreement commences on the Closing Date. In the event that a Physician elects to sell any of such shares pursuant to Rule 144 within sixty days of receipt thereof and is unable to do so by reason of the Holding Period being deemed to have commenced on a date later than the Closing Date (other than by reason of a change in the law), then (i) such Physician shall promptly notify AOR of such

inability and provide AOR with the opportunity for five business days after receipt of such notice (the "Assistance Period") to assist such Physician in effecting the proposed sale and (ii) in the event that such proposed sale is not effected within the Assistance Period, AOR shall redeem a number of such shares of AOR Common Stock from such Physician up to a number equal to the quotient determined by dividing such Physician's Tax Liability by the value per share used to calculate such Tax Liability. For purposes of this Section 6.04, a Physician's "Tax Liability" shall be determined by multiplying the number of shares that are delivered to such Physician at a given time by the Market Price on such date (or such lesser price as the Physician represents he intends to use for purposes of preparing his applicable income tax return), and then multiplying such product by the highest stated federal and state income rate applicable to individuals.

Section 6.07 Stock Options. From and after the Closing Date, if New LLC and either of Kim O. Gococo, M.D. or Jay D. Walls, M.D. enter into an employment agreement substantially in the form attached hereto as Exhibit M, then AOR hereby covenants and agrees to cause the Compensation Committee of AOR to grant to such physician upon the effective date of such employment agreement nonqualified stock options to purchase up to 5,000 shares of AOR Common Stock at an exercise price equal to the Market Price on the date of the grant, with such stock options to vest twenty percent (20%) on each of the first five (5) anniversaries of the grant date.

Section 6.08 Corporate Existence. During the term of the Management Services Agreement, New LLC shall, and the Physicians shall cause New LLC to, maintain and preserve in full force and effect its corporate existence.

ARTICLE VII. CONDITIONS

Section 7.01 Conditions Precedent to the Obligations of All Parties. The obligations of the parties to complete the Closing shall be subject to the fulfillment, at or prior to the time of the Closing, of each of the following conditions:

(a) neither the Physicians nor HOA shall be subject to any noncompetition covenants pursuant to that certain Stock Purchase Agreement, dated May 13, 1994, between the Physicians and T² Medical, Inc., or otherwise;

(b) all permits, approvals, waivers and consents of any Governmental Authority or of any third party necessary or appropriate for consummation of the Closing shall have been obtained;

(c) no preliminary or permanent injunction or other order of a court or other Governmental Authority in the United States shall have been issued and be in effect, and no United States federal or state statute, rule or regulation shall have been enacted or promulgated after the date hereof and be in effect, that (i) prohibits the consummation

of the Closing or (ii) imposes material limitations after the Closing on the ability of New LLC to own and operate the Practice or AOR Management to manage the Practice pursuant to the Management Services Agreement;

(d) there shall not be any action or proceeding commenced by or before any court or other Governmental Authority in the United States that challenges the consummation of the Closing or seeks to impose material limitations on the ability of New LLC to own and operate the Practice or AOR Management to manage the Practice pursuant to the Management Services Agreement; and

(e) the parties to the Management Services Agreement shall have agreed to the initial budget referred to in the Management Services Agreement, and the parties to the Purchase Agreement shall have agreed to its schedules.

Section 7.02 Conditions Precedent to the Obligations of the AOR Parties. The obligations of the AOR Parties to complete the Closing shall be subject to the fulfillment, at or prior to the time of the Closing, of each of the following conditions:

(a) on terms acceptable to the AOR Parties, HOA shall have (i) leased real property at Greenville Memorial Hospital, St. Francis Hospital or elsewhere, (ii) commenced the provision of physician-supervised, outpatient infusion therapy services and (iii) hired employees to provide such infusion therapy services;

(b) except for such changes as permitted or contemplated by this Master Transaction Agreement, the representations and warranties of the Physician Parties contained in this Master Transaction Agreement shall be true and correct in all material respects at and as of the Closing Date with the same force and effect as if made at and as of the Closing Date;

(c) the Physician Parties shall have performed, complied with and fulfilled all the covenants, agreements, obligations and conditions required by any of the Transaction Documents to be performed, complied with or fulfilled by them prior to or at the Closing;

(d) since the date of this Master Transaction Agreement, there shall not have occurred any event or events, whether individually or in the aggregate, that have had or that reasonably could be expected to have a material adverse effect on the financial condition, results of operations, properties, assets, liabilities, business, operations or prospects of HOA or the Practice;

(e) the AOR Parties shall have obtained any necessary approval by First Union National Bank of North Carolina in accordance with that certain Loan Agreement, dated December 5, 1994, between AOR and First Union National Bank of North Carolina, individually and as agent for the various lenders; and

(f) the AOR Parties shall have received all of the instruments, documents and other items described in Section 8.02 hereof.

Section 7.03 Conditions Precedent to the Obligations of the Physician Parties. The obligations of the Physician Parties to complete the Closing shall be subject to the fulfillment at or prior to the time of the Closing, of each of the following conditions:

(a) except for such changes as permitted or contemplated by this Master Transaction Agreement and except for increases in the number of issued and outstanding shares of AOR Common Stock, the representations and warranties of the AOR Parties contained in this Master Transaction Agreement shall be true and correct in all material respects at and as of the Closing Date with the same force and effect as if made at and as of the Closing Date;

(b) the AOR Parties shall have performed, complied with and fulfilled all of the covenants, agreements, obligations and conditions required by any of the Transaction Documents to be performed, complied with or fulfilled by them prior to or at the Closing;

(c) since the date of this Master Transaction Agreement, there shall not have occurred any event or events, whether individually or in the aggregate, that have had or that reasonably could be expected to have a material adverse effect on the financial condition, results of operations, properties, assets, liabilities, business, operations or prospects of AOR;

(d) the Physician Parties shall have received from the AOR Parties all of the instruments, documents and other items described in Section 8.03 hereof.

ARTICLE VIII. CLOSING

Section 8.01 Closing.

(a) The Closing shall take place at the offices of Mayor, Day, Caldwell & Keeton, L.L.P., 700 Louisiana, Suite 1900, Houston, Texas 77002, at 10:00 A.M. on the first (1st) day following the satisfaction of each condition set forth in Article VII hereof (the "Closing Date").

(b) At the Closing, the parties shall complete the transactions provided for in Sections 2.02, 2.03, 2.04 and 2.05 in the sequence specified in Article II hereof.

Section 8.02 Deliveries to the AOR Parties at the Closing. At the Closing, and simultaneously with the deliveries to the Physician Parties specified in Section 8.03 hereof, and in addition to any other deliveries required to be made to an AOR Party pursuant to any other

Transaction Document at the Closing, the Physician Parties shall deliver or cause to be delivered to the AOR Parties the following:

(a) the New LLC Charter, the New LLC Operating Agreement and the New LLC Organizational Minutes;

(b) the joinder of New LLC contemplated by Section 2.01(c) hereof;

(c) the Management Services Agreement duly executed by New LLC;

(d) the Purchase Agreement duly executed by HOA, together with the noncompetition covenant duly executed by each Physician;

(e) the Contribution Agreements duly executed by each of the Physicians and New LLC;

(f) the Employment Agreements duly executed by each of the Physicians and New LLC;

(g) the Option Agreement duly executed by the Physicians; and

(h) such other closing documents, certificates and instruments as are contemplated by the other Transaction Documents or as shall have been reasonably requested by the AOR Parties and as are customarily delivered in connection with transactions of the type contemplated herein.

Section 8.03 Deliveries to the Physician Parties at the Closing. At the Closing, and simultaneously with the deliveries to the AOR Parties specified in Section 8.02, and in addition to any other deliveries required to be made to a Physician Party pursuant to any other Transaction Document at the Closing, the AOR Parties shall deliver or cause to be delivered to the Physician Parties the following:

(a) the Purchase Agreement duly executed by AOR Management;

(b) the Management Services Agreement duly executed by AOR;

(c) the risk analysis letter prepared by Jenkens & Gilchrist, P.C., health-care counsel to the AOR Parties;

(d) such other closing documents, certificates and instruments as are contemplated by the other Transaction Documents or as shall have been reasonably requested by the Physician Parties and as are customarily delivered in connection with transactions of the type contemplated herein; and

Section 9.04 Termination Date. This Master Transaction Agreement may be

(e) the consideration required to be delivered by the AOR Parties at the Closing pursuant to the Transaction Documents.

ARTICLE IX. TERMINATION

Section 9.01 Termination by Mutual Agreement. This Master Transaction Agreement may be terminated by the mutual agreement in writing of the parties hereto at any time prior to the Closing.

Section 9.02 Termination by AOR Parties. If at any time prior to or at the Closing (a) any of the Physician Parties shall have failed to perform in any respect any of their respective covenants or obligations, at the time required to be performed, set forth in this Master Transaction Agreement or the other Transaction Documents and such failure has not been or cannot be cured to the reasonable satisfaction of the AOR Parties within a reasonable time; (b) any representation or warranty of any of the Physician Parties contained herein or in any of the other Transaction Documents is false or misleading in any material respect; (c) any of the Physician Parties shall fail to make any deliveries specified in Section 8.02; or (d) any of the conditions set forth in Sections 7.01 or 7.02 shall not have been satisfied in any respect (and such failure cannot be cured to the reasonable satisfaction of the AOR Parties prior to Closing) or waived in writing by the AOR Parties, all obligations of the AOR Parties under this Master Transaction Agreement (other than their obligations under Sections 13.03 and 13.13) may be terminated by the AOR Parties.

Section 9.03 Termination by the Physician Parties. If at any time prior to or at the Closing (a) any of the AOR Parties shall have failed to perform in any respect any of their respective covenants or obligations, at the time required to be performed, set forth in this Master Transaction Agreement or the other Transaction Documents and such failure has not been or cannot be cured to the reasonable satisfaction of the Physician Parties within a reasonable time; (b) any representation or warranty of any of the AOR Parties contained herein or in any of the other Transaction Documents is false or misleading in any material respect; (c) any of the AOR Parties shall fail to make any deliveries specified in Section 8.03; or (d) any of the conditions set forth in Sections 7.01 or 7.03 shall not have been satisfied in any respect (and such failure cannot be cured to the reasonable satisfaction of the Physician Parties prior to Closing) or waived in writing by the Physician Parties, all obligations of the Physician Parties under this Master Transaction Agreement (other than their obligations under Sections 13.03 and 13.13) may be terminated by the Physician Parties.

Section 9.04 Termination Date. This Master Transaction Agreement may be terminated by either the AOR Parties or the Physician Parties giving written notice to the other in the event the Closing has not occurred by February 15, 1995, unless due to the breach of this Master Transaction Agreement by any of the parties seeking termination.

ARTICLE X. INDEMNIFICATION

Section 10.01 Indemnification by the Physician Parties.

(a) Except as provided in Section 10.01(b) and subject to the limitations set forth in Section 10.06, each of the Physician Parties, jointly and severally, hereby agrees to indemnify, defend and hold the AOR Parties, and their respective officers, directors, employees and shareholders (collectively, "AOR Indemnified Persons") harmless from and against all demands, suits, claims, actions or causes of action, assessments, losses, damages, liabilities, liens, settlements, penalties, and forfeitures, and reasonable costs and expenses incident thereto (including reasonable attorneys' fees) (collectively, the "Indemnity Losses" and individually, an "Indemnity Loss"), asserted against or suffered or incurred, directly or indirectly, by any of the AOR Indemnified Persons and resulting from:

(i) any misrepresentation in or breach of the representations or warranties of any of the Physician Parties or the failure of any of the Physician Parties to perform any of their respective covenants or obligations contained in this Master Transaction Agreement or the Purchase Agreement;

(ii) except with respect to the Assumed Obligations and except with respect to any liabilities relating to or arising from the provision of professional medical services (or failure to provide professional medical services), the operation of the Practice or the use of the Nonmedical Assets or the Medical Assets by HOA prior to the Closing including, but not limited to, any and all obligations or liabilities of any of the Physician Parties of any kind, description or character, direct or indirect, absolute or contingent, known or unknown;

(iii) any tax liability arising out of, or by virtue of, or based on any Physician Party; or

(iv) any Environmental Claim (as hereinafter defined) arising out of or based upon (i) operation of the properties covered by the Real Property Leases on or prior to the Closing Date or (ii) operation of the Practice, on or prior to the Closing Date. For purposes of this Agreement, the term "Environmental Claim" means any liabilities, responsibilities, third party (including private parties, governmental agencies and employees) actions, lawsuits, claims or proceedings (whether they arise under common law or statute or are recognized now or at a later time and regardless of form including strict liability and negligence) which relate to or arise from or in connection with any Environmental Law or Hazardous Wastes, including, but not limited to, any liability which relates to or arises from or in connection with any investigation, remediation, or removal of any Hazardous Wastes.

(b) Notwithstanding the foregoing provisions of Section 10.01(a), the Physician Parties shall not be obligated to jointly and severally indemnify, defend or hold the AOR Indemnified Parties harmless from and against any Indemnity Losses asserted against or suffered or incurred by any of the AOR Indemnified Parties and resulting from any misrepresentation in or breach of any representation of any Physician contained in Section 3.02 hereof or Section 6.03 hereof or from the failure of any Physician to perform any of such Physician's covenants or obligations contained in the Non-Competition Covenant attached to the Purchase Agreement. In each of these cases, each Physician shall severally and not jointly indemnify, defend and hold the AOR Parties harmless from and against all Indemnity Losses asserted against or suffered or incurred by any of the AOR Indemnified Parties and resulting from any misrepresentation in or breach of such representations of such Physician or from the failure of such Physician to perform any of such covenants or obligations.

Section 10.02 Indemnification by the AOR Parties. Subject to the limitations set forth in Section 10.06, the AOR Parties, jointly and severally, hereby agree to indemnify, defend and hold the Physician Parties and their respective officers, directors, employees, partners and shareholders (collectively "Physician Indemnified Persons") harmless from and against any Indemnity Loss asserted against or suffered or incurred by any of Physician Indemnified Persons and resulting from:

(i) any misrepresentation in or breach of the representations and warranties of any of the AOR Parties or the failure of any of the AOR Parties to perform any of their respective covenants or obligations contained in this Master Transaction Agreement or in the Purchase Agreement;

(ii) the use of the Nonmedical Assets after the Closing;

(iii) the Assumed Obligations;

(iv) any tax liability arising out of, or by virtue of, or based on any AOR Party; or

(v) any Environmental Claim arising out of or based upon the operation of the business of AOR on or prior to the Closing Date.

Section 10.03 Notice. If any person or entity has reason to believe that he, she or it has suffered or incurred (or has a reasonable belief that he or it will suffer or incur) any Indemnity Loss subject to indemnity hereunder, such person or entity shall so notify the indemnifying party promptly in writing describing such loss or expense, the amount thereof, if known, and the method of computation of such Indemnity Loss, all with reasonable particularity. If the nature of the Indemnity Loss set forth in the notice does not involve any third party claim, and if the indemnifying party does not respond to the indemnified party in writing contesting the existence of amount of any Indemnity Loss within thirty (30) days after delivery of such notice,

then such indemnifying party shall be obligated to pay, and shall pay in accordance with Section 10.05, the amount of the Indemnity Loss set forth in such notice to the indemnified party. If any action at law, suit in equity, administrative action or arbitration or mediation proceeding is instituted by or against a third party with respect to which any person intends to claim any liability or expense as an Indemnity Loss under this Article X, such person shall promptly notify the indemnifying party of such action. The failure to give or to timely give any notice required by this Section 10.03 shall not relieve the party from whom indemnity is sought of any of its obligations under this Article X, except to the extent that such failure results in actual prejudice to the indemnifying party.

Section 10.04 Defense of Third Party Claims.

(c) With respect to any action at law, suit in equity, administrative action or arbitration or mediation proceeding that is instituted by or against a third party with respect to which any person intends to claim any liability or expense under this Article X, the indemnifying party shall have ten (10) business days after receipt of the notice with respect thereto referred to in the first sentence of Section 10.03 to notify the indemnified party that it elects to conduct and control any action, suit or proceeding with respect to such claim; provided, however, that no such election may be made with respect to any action, suit or proceeding by a taxing authority with respect to any consolidated, combined or unitary return filed by AOR or any of its affiliates. If the indemnifying party does not give such notice, the indemnified person shall have the right to defend, contest, settle or compromise such action, suit or proceeding in the exercise of its exclusive discretion, and the indemnifying party shall, upon request from the indemnified person, promptly pay the indemnified person in accordance with the other terms and conditions of this Article X the amount of any Indemnity Loss subject to indemnity hereunder resulting from its liability to the third party claimant. If the indemnifying party gives such notice, it shall have the right to participate in, and, to the extent that it shall desire, to undertake, conduct and control, through counsel of its own choosing (which counsel shall be satisfactory to the indemnified party in the reasonable judgment of the indemnified party and shall not, except with the consent of the indemnified party, be counsel to the indemnified party) and at its sole expense, the conduct and settlement of such action, suit or proceeding, and the indemnified person shall cooperate with the indemnifying party in connection therewith; provided, however, that (i) the indemnifying party shall not thereby permit to exist any lien, encumbrance or other adverse charge securing the claims indemnified hereunder upon any asset of the indemnified person, (ii) the indemnifying party shall not thereby consent to the imposition of any injunction against the indemnified person without the written consent of the indemnified person, (iii) the indemnifying party shall permit the indemnified person to participate in such conduct or settlement through counsel chosen by the indemnified person, but the fees and expenses of such counsel shall be borne by the indemnified person except as provided below, and (iv) upon a final determination of such action, suit or proceeding, the indemnifying party shall promptly reimburse to the extent required under this Article X the indemnified person for the full amount of any

Indemnity Loss resulting from such action, suit or proceeding and all reasonable and related expenses incurred by the indemnified person, other than fees and expenses of counsel for the indemnified person incurred after the assumption of the conduct and control of such action, suit or proceeding by the indemnifying party (except as provided below); provided further, however, that such fees and expenses of counsel for the indemnified party shall be borne by the indemnifying party if (i) the employment of counsel by the indemnified party has been authorized in writing by the indemnifying party, (ii) the indemnified party has reasonably concluded (based on the advice of counsel) that there may be legal defenses available to it that are different from or in addition to those available to the indemnifying party, (iii) a conflict or potential conflict exists (based on advice of counsel to the indemnified party) between such party and the indemnifying party in which case the indemnifying party will not have the right to direct the defense of such action on behalf of the indemnified party, or (iv) the indemnifying party has not in fact employed counsel to assume the defense of such action within a reasonable time after giving notice of its intent to assume such defense. So long as the indemnifying party is contesting any such action in good faith, the indemnified person shall not pay or settle any such action, suit or proceeding. Notwithstanding the foregoing, the indemnified person shall have the right to pay or settle any such action, suit or proceeding, provided that in such event the indemnified person shall waive any right to indemnity therefor from the indemnifying party and no amount in respect thereof shall be claimed as an Indemnity Loss under this Article X.

(d) If requested by the indemnifying party, the indemnified person agrees to cooperate with the indemnifying party and its counsel in contesting any claim which the indemnifying party elects to contest or, if appropriate, in making any counterclaim against the person asserting the claim, or any cross-complaint against any person asserting the claim, or any cross-complaint against any person and further agrees to take such other action as reasonably may be requested by an indemnifying party to reduce or eliminate any loss or expense for which the indemnifying party would have responsibility, but the indemnifying party will reimburse the indemnified person for any expenses incurred by it in so cooperating or acting at the request of the indemnifying party.

(e) The indemnified person agrees to afford the indemnifying party and its counsel the opportunity to be present at, and to participate in, conferences with all persons, including governmental authorities, asserting any claim against the indemnified person or conferences with representatives of or counsel for such persons.

Section 10.05 Payment of Losses. Except as specifically set forth in any other section of this Master Transaction Agreement or the Purchase Agreement with respect to payment of losses, which section shall govern payment of losses with respect to matters set forth therein, the indemnifying party shall pay to the indemnified person in cash the amount of any Indemnity Loss to which the indemnified person may become entitled by reason of the provisions of this Agreement, such payment to be made within sixty (60) business days after any such amount of

losses is finally determined either pursuant to mutual agreement of the parties, pursuant to the second sentence of Section 10.03, pursuant to the provisions of Section 10.04(a) or pursuant to the dispute resolution provisions set forth in Article XII or pursuant to a final, unappealable binding judgment of a court with jurisdiction. If any of the Physicians is the indemnifying party and fails to make payment as contemplated by this Section 10.05, AOR, at its election, shall be entitled to (i) cancel the number of shares of the AOR Common Stock held by such indemnifying party or, with respect to shares of AOR Common Stock entitled to be received by such indemnifying party, terminate its obligation to deliver such number of shares of AOR Common Stock, valued at the Market Price per share as of the date payment was due under this Section 10.05, representing the amount equal to or less than the amount of Indemnity Loss, or (ii) set off all or any amounts payable under the Note held by such Physician, representing the amount equal to or less than the amount of the Indemnity Loss, or both of the foregoing, but in no event shall AOR be entitled to offset amounts in excess of the Indemnity Loss pursuant to this Section 10.05. Such indemnifying party agrees to redeliver to AOR the certificates representing any such shares canceled by AOR or any Note that, as a result of the exercise of set-off rights, is paid in full.

Section 10.06 Limitations. Notwithstanding anything contained to the contrary in this Master Transaction Agreement, a Party's right to recover any amounts under the indemnification provisions of this Article X shall be limited as provided in this Section 10.06.

(a) All representations, warranties and indemnities made by the parties shall survive the Closing and shall thereafter terminate and expire twenty-four (24) months after the Closing Date, except that representations, warranties (Section 3.01(j)) and associated indemnities with respect to tax matters, and representations, warranties (Section 3.01(m)) and associated indemnities with respect to environmental matters, shall survive for a period equal to the statute of limitations applicable to any claim arising from or attributable to such matters; provided, however, that notwithstanding the foregoing, the rights and obligations with respect to indemnification as provided in Article X shall continue with respect to any matter for which indemnification has been properly sought pursuant to the terms and conditions of this Master Transaction Agreement prior to the expiration of any such survival period.

(b) The Physician Parties' liabilities to AOR Indemnified Persons pursuant to this Article X shall be limited as follows: with respect to any claim for indemnification under Section 10.01, no AOR Indemnified Person shall be entitled to indemnification pursuant to Article X until the AOR Indemnified Parties in the aggregate have suffered or incurred Indemnity Losses of $35,000, and each Physician Party's obligations under this Article X shall be limited to the amount set forth opposite such Physician Party's name on the Disclosure Schedule; provided, however, that nothing contained in this Section 10.06(b) shall be deemed to limit or impair an AOR Party's right to seek injunction or other equitable relief for a Physician's breach of any provision set forth in the Non-Competition Covenant attached to the Purchase Agreement.

(c) The AOR Parties' liabilities to Physician Indemnified Persons pursuant to this Article X shall be limited as follows: with respect to any claim for indemnification under Section 10.02, no Physician Indemnified Person shall be entitled to indemnification pursuant to Article X until the Physician Indemnified Persons in the aggregate have suffered or incurred Indemnity Losses of $35,000, and each AOR Party's obligations under this Article X shall be limited to $5,762,500.

ARTICLE XI. PIGGYBACK REGISTRATION RIGHTS

Section 11.01 Registration Rights. In the event that AOR proposes to file a registration statement with the SEC on Form S-1, S-2, S-3, S-18 or such other comparable successor form as may be prescribed from time to time by the SEC (a "Registration Statement") with the SEC with respect to an underwritten public offering by AOR of AOR Common Stock for cash, whether or not for AOR's own account, during the period commencing on the date six months after the closing of AOR's initial registered public offering of AOR Common Stock and ending on the fifth anniversary of the Closing Date, AOR shall give written notice of such proposed filing to the Physicians at least fifteen (15) days before the anticipated filing date (in which notice AOR shall use its best efforts to name the proposed managing underwriters of such offering and the anticipated price range per share of AOR Common Stock), and such notice shall offer each Physician the opportunity to register such number of the Physician's shares of AOR Common Stock as such Physician may request in writing within ten (10) days after receipt of such notice; provided, however, that the maximum number of shares of AOR Common Stock that such Physician may request to include shall be equal to the lesser of (i) that fraction of his shares of AOR Common Stock which equals the maximum fraction of shares of AOR Common Stock held by any person having piggyback registration rights (other than AOR or the Physicians) that such other person is permitted to request to include in such filing and (ii) 50% of such Physician's shares of AOR Common Stock. Notwithstanding the foregoing, if the managing underwriter of such offering advises AOR that the total number of shares of AOR Common Stock which AOR, the Physicians and any other persons intend to include in such offering would adversely affect the success of such offering, then the amount of shares of AOR Common Stock to be offered for the account of the Physicians shall be reduced to the extent necessary to reduce the total number of shares of AOR Common Stock to be included in such offering to the amount recommended by such managing underwriter; provided that if shares of AOR Common Stock are being offered for the account of other persons as well as AOR, such reduction shall not represent a greater fraction of the number of shares of AOR Common Stock requested to be registered by the Physicians than the fraction of similar reductions imposed on such other persons over the amount of securities requested to be registered by such other persons. Nothing contained herein shall require AOR to (a) reduce the amount of shares of AOR Common Stock to be offered by AOR in such offering for any reason or (b) include any shares of AOR Common Stock of any Physician in any public offering for which a Registration Statement is or is proposed to be filed if such shares of AOR Common Stock are, at the time of effectiveness of such Registration Statement, eligible to be sold under paragraph (k) of Rule 144 under the Securities Act. Nothing in this Article XI shall create any liability on the part of AOR to such Physician if AOR for any reason should decide not to file a Registration Statement

or decide not to request that the Registration Statement be declared effective or otherwise elect not to consummate the public offering contemplated thereby. The rights hereunder are subject to the condition that Physicians desiring to include shares of AOR Common Stock in the public offering agree to timely execute and deliver the underwriting agreement to be executed and delivered by AOR and the other sellers, if any, in connection with such public offering.

Section 11.02 Covenants of AOR.

(a) AOR hereby covenants and agrees:

(i) To take such steps as may be necessary to comply with the Blue Sky laws of such states as the managing underwriter may reasonably request; provided that in no event shall AOR be obligated to qualify to do business in any state where it is not so qualified or to take any action which would subject it to unlimited service of process in any state where it is not at such time so subject;

(ii) To use reasonable efforts to cause the Registration Statement to become effective and to keep the Registration Statement effective for such period as may be required under the terms of the underwriting agreement relating thereto, to file such post-effective amendments as may be necessary to keep any prospectus contained in such Registration Statement true and complete during such period as the Registration Statement shall be effective, and to furnish and file such other amendments, supplements, and other documents the managing underwriter may reasonably request;

(iii) To supply such numbers of prospectuses as may be reasonably required by the managing underwriter;

(iv) To pay the costs and expenses of the Registration Statement incurred by AOR, including without limitation all registration and Blue Sky filing fees, all fees and expenses of AOR's counsel (but not the fees and expenses of counsel for such Physician), all accounting costs (including costs associated with the preparation of interim period financial statements) incurred by AOR, NASD fees, printing costs, experts' fees and expenses incurred by AOR, costs of post-effective amendments, and all other usual and customary expenses in connection with the Registration Statement, except for such Physician's pro rata share of underwriting discounts and selling commissions (calculated in the manner set forth in this Article XI); and

(v) With respect to any Registration Statement filed pursuant to this Article XI, to cooperate with the underwriters to the best of its abilities and to enter into an underwriting agreement with such underwriters containing such representations, warranties, covenants and indemnities on the part of AOR as are usual and customary in an underwritten public sale of common stock.

(b) If, at the time AOR notifies a Physician pursuant to the first sentence of Section 11.01, AOR is obligated to issue in the future additional shares of AOR Common Stock to such Physician pursuant to Section 2.04(c) of this Master Transaction Agreement, and if a Physician notifies AOR pursuant to the first sentence of Section 11.01 that it desires to register the offer and sale of such unissued shares of AOR Common Stock of which such Physician will be the owner, then AOR shall be obligated to issue the number of shares of AOR Common Stock (issuing such shares in the order they would otherwise be issuable pursuant to Section 2.04(c)) to such Physician equal to the number of unissued shares that the Physician is entitled to register pursuant to Section 11.01; provided however; that if AOR's issuance of such shares occurs within two years of the Closing Date, prior to AOR's issuance of such additional shares of AOR Common Stock, AOR, AOR Management, the Escrow Agent and such Physician shall execute and deliver the Escrow Agreement.

(c) In the event that, subsequent to the Closing Date, AOR grants registration rights to physicians in connection with AOR's or a wholly owned subsidiary's management of such physicians' medical practice pursuant to a management agreement or similar arrangement, and if the terms of such registration rights relating to limitations with respect to (i) the period during which registration rights may be exercised and (ii) the percentage of shares of AOR Common stock that are registrable are superior to the terms of the registration rights relating to such limitations granted pursuant to this Article XI, then, without the taking of any additional action, such terms of registration rights granted pursuant to this Article XI shall be amended to equal such terms of the subsequently granted registration rights.

Section 11.03 Covenants of the Physicians. Each Physician hereby covenants and agrees:

(a) To cooperate with AOR in its compliance with all federal and state securities laws, including without limitation providing such information and signing such documents as are reasonably necessary to effect a registration;

(b) To pay his pro rata portion (calculated on the basis of the ratio of the aggregate offering price attributable to the shares of such Physician being registered and sold in relation to the aggregate offering price attributable to the total number of securities being registered and sold, including securities being registered and sold by other selling stockholders) of the underwriting discounts and selling commissions and to pay all the fees and disbursements of his counsel; and

(c) In addition to the transfer restrictions otherwise provided for herein, if so requested by AOR, such Physician will agree, whether or not such Physician elects to cause the registration of his shares pursuant to this Article XI, not to sell or otherwise dispose of any shares of AOR Common Stock (other than the shares covered by such registration, which may be sold in accordance with the plan or plans of distribution described in the Registration Statement) owned by such Physician for a period of the shorter of (i) the lock-up period applicable to AOR or (ii) one hundred twenty (120) days

following the effective date of such Registration Statement or a Registration Statement in connection with an initial public offering.

Section 11.04 Indemnification of Physicians. Whenever registration with respect to any shares of a Physician's AOR Common Stock is effected under the Securities Act pursuant hereto, AOR will indemnify and hold harmless such Physician, each underwriter, the directors, officers, employees and agents of each underwriter, and each person, if any, who controls each underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act from and against any and all losses, claims, liabilities, expenses and damages (including any and all investigative, legal and other expenses reasonably incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claim asserted), to which they, or any of them, may become subject under the Securities Act, the Exchange Act or other federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, liabilities, expenses or damages arise out of or are based on any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any prospectus included in such Registration Statement or any amendment or supplement to the Registration Statement or any such prospectus or the omission or alleged omission to state in such document a material fact required to be stated in it or necessary to make the statements in it not misleading, provided that AOR will not be liable to such Physician to the extent that such loss, claim, liability, expense or damage is based on an untrue statement or omission made in reliance on and in conformity with information furnished in writing to AOR by such Physician, or by such Physician through any attorney-in-fact, expressly for inclusion in the Registration Statement or any prospectus included in such Registration Statement.

Section 11.05 Indemnification of AOR. Whenever registration with respect to any shares of a Physician's AOR Common Stock is effected under the Securities Act pursuant hereto, such Physician will indemnify and hold harmless AOR, each of AOR's directors, each of AOR's officers, each person who controls AOR within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, each underwriter, the directors, officers, employees and agents of each underwriter, and each person, if any, who controls each underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, liabilities, expenses and damages (including any and all investigative, legal and other expenses reasonably incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claim asserted), to which they, or any of them, may become subject under the Securities Act, the Exchange Act or other federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, liabilities, expenses or damages arise out of or are based on any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any prospectus included in such Registration Statement or any amendment or supplement to the Registration Statement or any such prospectus or the omission or alleged omission to state in such document a material fact required to be stated in it or necessary to make the statements in it not misleading, provided that the Physician will not be liable except to the extent that such loss, claim, liability, expense or damage arises from or is based upon an untrue statement or omission or alleged untrue statement or omission made in reliance on and in conformity with information

furnished in writing to AOR by the Physician, or by such Physician through any attorney-in-fact, expressly for inclusion in the Registration Statement or any prospectus included in such Registration Statement.

Section 11.06 Defense of Claim. Promptly after receipt by an indemnified party of notice of the commencement of any action, the indemnified party shall notify the indemnifying party in writing of the commencement thereof if a claim in respect thereof is to be made against an indemnifying party under this Article XI, but the omission of such notice shall not relieve the indemnifying party from liability which it may have to the indemnified party under this Article XI, except to the extent that the indemnifying party is actually prejudiced by such failure to give notice, and shall not relieve the indemnifying party from any liability which it may have to any indemnified party otherwise than under this Article XI. In case any action is brought against the indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate in, and to the extent that it chooses, to assume the defense thereof with counsel reasonably satisfactory to the indemnified party, and after notice from the indemnifying party to the indemnified party that it so chooses, the indemnifying party shall not be liable for any legal or other expenses subsequently incurred by the indemnified party in connection with the defense thereof; provided however that (i) if the indemnifying party fails to take reasonable steps necessary to defend diligently the claim within twenty (20) days after receiving notice from the indemnified party that the indemnified party believes the indemnifying party has failed to diligently defend such claim, or (ii) if the indemnified party who is a defendant in any action or proceeding which is also brought against the indemnifying party reasonably shall have concluded that there are legal defenses available to the indemnified party which are not available to the indemnifying party, or (iii) if representation of both parties by the same counsel is otherwise inappropriate under applicable standards of professional conduct, then the indemnified party shall have the right to assume or continue its own defense as set forth above and the indemnifying party shall reimburse each indemnified party for the costs of such defense as provided in Sections 11.04 and 11.05. In no event shall the indemnifying party be responsible for the fees of more than one firm of counsel for all indemnified parties.

Section 11.07 Non-Transferability. The registration rights and benefits set forth herein, including indemnification by AOR, are granted for the sole and personal benefit of such Physician and may not be transferred or assigned.

ARTICLE XII. ARBITRATION

Section 12.01 Scope. Unless otherwise specifically provided in any other Transaction Document, the parties hereto agree that any claim, controversy, dispute or disagreement between or among any of the parties to any of the Transaction Documents arising out of or relating to any Transaction Document (other than claims involving any noncompetition or confidentiality covenant) shall be governed exclusively by the terms and provisions of this Article XII; provided, however, that the terms and provisions of this Article XII shall not preclude any party

hereto from seeking, or a court of competent jurisdiction from granting, a temporary restraining order, temporary injunction or other equitable relief for any breach of (i) any noncompetition or confidentiality covenant in any Transaction Document or (ii) any duty, obligation, covenant, representation or warranty, the breach of which may cause irreparable harm or damage.

Section 12.02 Arbitrators. In the event any claim or claims for an Indemnity Loss is brought by any of the AOR Parties or any of the Physician Parties (including New LLC), or there is any other claim, controversy, dispute or disagreement among any of the AOR Parties or the Physician Parties (including New LLC) arising out of or relating to any Transaction Document, and the parties are unable to resolve such claim, controversy, dispute or disagreement within thirty (30) days after notice is first delivered pursuant to Section 10.03, the parties agree to select arbitrators to hear and decide all such claims under this Article XII. If such claim, controversy, dispute or disagreement is between any of the Physician Parties (including New LLC), on the one hand, and any of the AOR Parties, on the other hand, then such Physician Parties (including New LLC) shall select one arbitrator, and the AOR Parties shall select one arbitrator. If such claim, controversy, dispute or disagreement is between any of the Physicians, on the one hand, and New LLC, on the other hand, then the Physician shall select one arbitrator, and New LLC shall select one arbitrator. The two arbitrators so chosen shall then select a third arbitrator who is experienced in the matter or action that is subject to such arbitration. If such matter or action involves health-care issues, then the third arbitrator shall have such qualifications as would satisfy the requirements of the National Health Lawyers Association Alternative Dispute Resolution Service. Each of the arbitrators chosen shall be impartial and independent of all parties to the Transaction Documents. If either of the parties fails to select an arbitrator within twenty days after the end of such thirty-day period, or if the arbitrators chosen fail to select a third arbitrator within twenty days, then any party may in writing request the judge of the United States District Court for the District of South Carolina senior in term of service to appoint the arbitrator or arbitrators and, subject to this Article XII, such arbitrators shall hear all arbitration matters arising under this Article XII.

Section 12.03 Applicable Rules.

(a) Each arbitration hearing shall be held at a place in Greenville, South Carolina acceptable to a majority of the arbitrators. The arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association to the extent such rules do not conflict with the terms hereof. The decision of a majority of the arbitrators shall be reduced to writing and shall be binding on the parties. Judgment upon the award(s) rendered by a majority of the arbitrators may be entered and execution had in any court of competent jurisdiction or application may be made to such court for a judicial acceptance of the award and an order of enforcement. The charges and expenses of the arbitrators shall be shared equally by the parties to the hearing.

(b) The arbitration shall commence within ten (10) days after the arbitrators are selected in accordance with the provisions of this Article XII. In fulfilling their

duties with respect to determining the amount of an Indemnity Loss, the arbitrators may consider such matters as, in the opinion of the arbitrators, are necessary or helpful to make a proper valuation. The arbitrators may consult with and engage disinterested third parties to advise the arbitrators. The arbitrators shall not add any interest factor reflecting the time value of money to the amount of any Indemnity Loss and shall not award any punitive damages.

(c) If any of the arbitrators selected hereunder should die, resign or be unable to perform his or her duties hereunder, the remaining arbitrators or such senior judge (or such judge's successor) shall select a replacement arbitrator. The procedure set forth in this Article XII for selecting the arbitrators shall be followed from time to time as necessary.

(d) As to any determination of the amount of an Indemnity Loss, or as to the resolution of any other claim, controversy, dispute or disagreement, that under the terms hereof is made subject to arbitration, no lawsuit based on such claimed Indemnity Loss or such resolution shall be instituted by any of the AOR Parties or the Physician Parties (including New LLC), other than to compel arbitration proceedings or enforce the award of a majority of the arbitrators.

(e) All privileges under Texas and federal law, including attorney-client and work-product privileges, shall be preserved and protected to the same extent that such privileges would be protected in a federal court proceeding applying Texas law.

ARTICLE XIII. MISCELLANEOUS

Section 13.01 Taxes. The Physician Parties will pay all transfer taxes, sales and other taxes and charges, if any, which may become payable in connection with the transactions contemplated by the Transaction Documents.

Section 13.02 Remedies Not Exclusive. No remedy conferred by any of the specific provisions of this Master Transaction Agreement or any other Transaction Document is intended to be exclusive of any other remedy, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. The election of any one or more remedies by any party hereto shall not constitute a waiver of the right to pursue other available remedies.

Section 13.03 Expenses. Whether or not the transactions contemplated by this Master Transaction Agreement are consummated, each of the parties hereto shall pay the fees and expenses of its counsel, accountants and other experts incident to the negotiation and preparation of the Transaction Documents and consummation of the transactions contemplated thereby.

Section 13.04 Parties Bound. Except to the extent otherwise expressly provided herein, this Master Transaction Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, representatives, administrators, guardians, successors and assigns; and no other person shall have any right, benefit or obligation hereunder.

Section 13.05 Notices. All notices, reports, records or other communications that are required or permitted to be given to the parties under this Master Termination Agreement shall be sufficient in all respects if given in writing and delivered in person, by telecopy, by overnight courier or by registered or certified mail, postage prepaid, return receipt requested, to the receiving party at the following address:

If to the AOR Parties, addressed to:

American Oncology Resources, Inc.
17001 Northchase Blvd., Suite 330
Houston, Texas 77060
Attention: R. Dale Ross
Telecopy: (713)873-7762

With copies to:

Mayor, Day, Caldwell & Keeton, L.L.P.
700 Louisiana, Suite 1900
Houston, Texas 77002
Attention: Diana M. Hudson
Telecopy: (713)225-7047

If to the Physician Parties, addressed to:

Hematology and Oncology Associates, P.A.
Cancer Treatment Center
701 Grove Road
Greenville, South Carolina 29605
Attention: Gerald W. King, M.D.
Telecopy: (803) 455-8783

With copies to:

Arent Fox Kintner Plotkin & Kahn
1050 Connecticut Avenue, NW
Washington, DC 20036-5337
Attention: Richard N. Gale
Telecopy: (202)857-6395

or to such other address as such party may have given to the other parties by notice pursuant to this Section 13.05. Notice shall be deemed given on the date of delivery, in the case of personal delivery or telecopy, or on the delivery or refusal date, as specified on the return receipt, in the case of overnight courier or registered or certified mail.

Section 13.06 Choice of Law. This Master Transaction Agreement shall be construed, interpreted, and the rights of the parties determined in accordance with, the laws of the State of Texas except with respect to matters of law concerning the internal affairs of any corporate or partnership entity which is a party to or the subject of this Master Transaction Agreement, and as to those matters the law of the state of incorporation or organization of the respective entity shall govern. The parties agree that if a controversy or claim between or among them arises out of or in relation to this Master Transaction and results in litigation, the courts of Greenville County, South Carolina or the courts of the United States of America located in Greenville County, South Carolina shall have jurisdiction to hear and decide such matter, and the parties hereto submit to jurisdiction to such courts.

Section 13.07 Entire Agreement; Amendments and Waivers. This Master Transaction Agreement, together with the other Transaction Documents and all exhibits and schedules hereto and thereto, constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties, and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof. No supplement, modification or waiver of this Master Transaction Agreement shall be binding unless it shall be specifically designated to be a supplement, modification or waiver of this Master Transaction Agreement and shall be executed in writing by the party to be bound thereby. No waiver of any of the provisions of this Master Transaction Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any of the provisions of this Master Transaction Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

Section 13.08 Confidentiality Agreements. Without limiting the generality of the foregoing section, the provisions of the Confidentiality Agreements, and of the Letter of Intent between AOR and the Physicians, shall terminate and cease to be of any force or effect at and upon the Closing.

Section 13.09 Reformation Clause. The parties acknowledge that federal and state law and regulations applicable to business transactions in which physicians and other healthcare providers own equity interests in healthcare companies are in a state of flux, and that as such laws and regulations, and interpretations of such laws and regulations by the courts and regulatory authorities, evolve, the transactions contemplated by this Master Transaction Agreement may be prohibited by, or become economically impractical due to, such laws and regulations. If such event occurs, the parties each agree to negotiate in good faith such changes

to the structure and terms of the transactions provided for in this Master Transaction Agreement as may be necessary to make these transactions, as restructured, lawful under applicable laws and regulations, without materially disadvantaging either party.

Section 13.10 Assignment. The Master Transaction Agreement may not be assigned by operation of law or otherwise except that AOR shall have the right to assign this Master Transaction Agreement, at any time, to any direct or indirect wholly owned subsidiary of AOR. No such assignment shall relieve AOR of its obligations hereunder.

Section 13.11 Attorneys' Fees. Except as otherwise specifically provided herein, if any action or proceeding is brought by any party with respect to this Master Transaction Agreement or the other Transaction Documents, or with respect to the interpretation, enforcement or breach hereof, the prevailing party in such action shall be entitled to an award of all reasonable costs of litigation or arbitration, including, without limitation, attorneys' fees, to be paid by the losing party, in such amounts as may be determined by the court having jurisdiction of such action or proceeding or by the arbitrators deciding such action or proceeding.

Section 13.12 Further Assurances. From time to time hereafter and without further consideration, each of the parties hereto shall execute and deliver such additional or further instruments of conveyance, assignment and transfer and take such actions as any of the other parties hereto may reasonably request in order to more effectively consummate the transactions contemplated by the Transaction Documents or as shall be reasonably necessary or appropriate in connection with the carrying out of the parties' respective obligations hereunder or the purposes of this Master Transaction Agreement.

Section 13.13 Announcements and Press Releases. Any press releases or any other public announcements concerning this Master Transaction Agreement or the other Transaction Documents shall be approved by both AOR and HOA; provided, however, that if any party reasonably believes that it has a legal obligation to make a press release and the consent of the other party cannot be obtained, then the release may be made without such approval.

Section 13.14 Antidilution.

(a) The existence of AOR's obligation to issue shares of AOR Common Stock pursuant to Section 2.04(c) of this Master Transaction Agreement shall not affect in any way the right or power of AOR or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in AOR's capital structure or its business, or any merger or consolidation of AOR, or any issue of bonds, debentures, preferred or prior preference stock ahead of, or affecting the AOR Common Stock, or the rights thereof, as the dissolution or liquidation of AOR, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of similar character or otherwise.

(b) If AOR effects a subdivision or consolidation of shares of AOR Common Stock or other capital readjustment, the payment of a stock dividend, or other increase or reduction of the number of shares of AOR Common Stock outstanding, without receiving compensation therefor in money, services or property, then the number of shares of AOR Common Stock subject to issuance pursuant to Section 2.04(c) of this Master Transaction Agreement shall be appropriately adjusted in such a manner to entitle the Physicians to receive the same total number and class of shares as it would have received had it received shares of AOR Common Stock immediately prior to the event requiring the readjustment. In the event of any capital reorganization or reclassification of the capital stock of AOR, any consolidation or merger of AOR with or into another corporation, or any sale, lease or disposition of all or substantially all of the assets of AOR that is effected in such a manner that holders of shares of AOR are entitled to receive additional shares, other securities and/or property (including cash) with respect to or in exchange for shares of AOR Common Stock, AOR shall, as a condition precedent to such transaction, cause effective provision to be made so that the Physicians shall thereafter have the right to receive the kind and amount of additional shares, other securities and/or other property receivable upon such event as it would have received had it received the shares of AOR Common Stock immediately prior to the event.

Section 13.15 No Tax Representations. Each party acknowledges that it is relying solely on its advisors to determine the tax consequences of the transactions contemplated hereunder and that no representation or warranty has been made by any party as to the tax consequences of such transactions.

Section 13.16 No Rights as Stockholder. No Physician shall have any rights as a stockholder with respect to any shares of AOR Common Stock until the issuance of a stock certificate for such shares. Except as otherwise provided in Section 13.14, no adjustments shall be made for dividends or distributions or other rights for which the record date is prior to such date any such stock certificate is issued.

Section 13.17 Multiple Counterparts. This Master Transaction Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 13.18 Headings. The headings of the several Articles and Sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Master Transaction Agreement.

Section 13.19 Severability. Each article, section, subsection and lesser section of this Master Transaction Agreement constitutes a separate and distinct undertaking, covenant or provision hereof. In the event that any provision of this Master Transaction Agreement shall finally be determined to be unlawful, such provision shall be deemed severed from this Master Transaction Agreement, but every other provision of this Master Transaction Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Master Transaction Agreement to be duly executed as of December 22, 1994.

AMERICAN ONCOLOGY RESOURCES, INC., a Delaware corporation

By: _____
Name: L. Fred Pounds
Title: Vice President of Finance

AOR MANAGEMENT COMPANY OF SOUTH CAROLINA, INC., a Delaware corporation

By: _____
Name: L. Fred Pounds
Title: Secretary

HEMATOLOGY AND ONCOLOGY ASSOCIATES, P.A., a South Carolina professional corporation

By: _____
Name: _____
Title: _____

_____
REGINALD J. BROOKER, M.D.

_____
GERALD W. KING, M.D.

IN WITNESS WHEREOF, the parties have caused this Master Transaction Agreement to be duly executed as of December 22, 1994.

AMERICAN ONCOLOGY RESOURCES, INC.,
a Delaware corporation

By:_____
Name:_____
Title:_____

AOR MANAGEMENT COMPANY OF SOUTH CAROLINA, INC., a Delaware corporation

By:_____
Name:_____
Title:_____

HEMATOLOGY AND ONCOLOGY ASSOCIATES, P.A., a South Carolina professional corporation

By:_____
Name: W. Larry Cheek
Title: Managing Partner

_____
REGINALD J. BROOKER, M.D.

_____
GERALD W. KING, M.D.

W. LARRY GLUCK, M.D.

MARK A. O'ROURKE, M.D.

JEFFREY K. GIGUERE, M.D.

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FIRST AMENDMENT TO MASTER TRANSACTION AGREEMENT AND LOAN AGREEMENT

THIS FIRST AMENDMENT TO MASTER TRANSACTION AGREEMENT AND LOAN AGREEMENT (the "Amendment"), dated and effective as of February 14, 1995, is by and among American Oncology Resources, Inc., a Delaware corporation; AOR Management Company of South Carolina, Inc., a Delaware corporation; Hematology and Oncology Associates, P.A., a South Carolina professional corporation; Reginald J. Brooker, M.D.; Gerald W. King, M.D.; W. Larry Gluck, M.D.; Mark A. O'Rourke, M.D.; and Jeffrey K. Giguere, M.D.

RECITALS

A. The parties hereto have executed and delivered that certain Master Transaction Agreement, dated and effective December 22, 1994 (the "Master Transaction Agreement").

B. The parties hereto have also executed and delivered that certain Loan Agreement dated as of February 1, 1995 (the "Loan Agreement").

C. The parties hereto desire to amend certain terms and provisions of the Master Transaction Agreement and the Loan Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Definitions. Any capitalized term not defined herein shall have the meaning ascribed to such term in the Master Transaction Agreement (except with respect to Section 3 hereof) and in the Loan Agreement (with respect to Section 3 hereof).

2. Amendments to Master Transaction Agreement.

a. Section 2.04(b) of the Master Transaction Agreement shall be amended in its entirety to read as follows:

"At the Closing, AOR shall deliver to each Physician cash in the amount set forth opposite such Physician's name:

Physician	Cash Amount
Reginald J. Brooker, M.D.	[redacted]
Gerald W. King, M.D.	
W. Larry Gluck, M.D.	
Mark A. O'Rourke, M.D.	
Jeffrey K. Giguere, M.D.	

3.0

Payments of the cash amounts set forth above may be made, at the election of AOR, by delivery of an AOR check or by wire transfer to bank accounts designated by each of the Physicians."

b. Section 9.04 of the Master Transaction Agreement shall be amended in its entirety to read as follows:

"This Master Transaction Agreement may be terminated by either the AOR Parties or the Physician Parties by giving written notice to the other in the event the Closing has not occurred by March 15, 1995, unless due to the breach of this Master Transaction Agreement by any of the parties seeking termination."

3. Amendment to Loan Agreement.

a. The last sentence of Section 1(a) of the Loan Agreement shall be amended in its entirety to read as follows:

"As used herein, the term "Maturity Date" means the earlier to occur of (i) March 15, 1995, (ii) the Closing Date, as defined in that certain Master Transaction Agreement dated and effective as of December 22, 1994 (as amended or otherwise modified from time to time, the "Master Transaction Agreement") by and among the Borrower, the Lender and the Physicians (as defined in the Master Transaction Agreement) or (iii) the date, if any, upon which the Borrower's Obligations hereunder are accelerated pursuant to Section 6 hereof.

b. Section 1(d) of the Loan Agreement shall be amended in its entirety to read as follows:

"Subject to the provisions of Section 7(h), interest on the Loan shall be calculated on the basis of a year of 365 of 366 days, as applicable, for the actual number of days elapsed. Interest on the outstanding principal balance of the Loan shall accrue for each day the Loan or any portion thereof is outstanding (including the first day but excluding the last day) at a rate per annum equal to the lesser of (i) seven percent (7%) or (ii) the Highest Lawful Rate (as hereinafter defined) (the "Interest Rate"). Notwithstanding the foregoing, from the period beginning February 16, 1995 and ending on the earlier of (i) the Closing Date or (ii) March 15, 1995, no interest shall accrue (or be payable) on any outstanding principal amount of the Loan.

4. Effect. This Amendment shall be effective only for the specific purposes set forth herein, and, except as modified by this Amendment the terms, covenants and provisions of the

Master Transaction Agreement and the Loan Agreement are hereby ratified and confirmed and shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed this First Amendment to Master Transaction Agreement and Loan Agreement as of February 14, 1995.

AMERICAN ONCOLOGY RESOURCES, INC.

By: _____
Name: R. Dale Ross
Title: Chairman of the Board and Chief Executive Officer

AOR MANAGEMENT COMPANY OF SOUTH CAROLINA, INC.

By: _____
Name: R. Dale Ross
Title: President

HEMATOLOGY AND ONCOLOGY ASSOCIATES, P/A.

By: _____
Name: Gerald W. King, M.D.
Title: Vice President

_____
REGINALD J. BROOKER, M.D.

_____
GERALD W. KING, M.D.

W. LARRY GLUCK, M.D.

MARK A. O'ROURKE, M.D.

JEFFREY K. GIGUERE, M.D.

SECOND AMENDMENT TO MASTER TRANSACTION AGREEMENT

THIS SECOND AMENDMENT TO MASTER TRANSACTION AGREEMENT (the "Amendment"), dated and effective as of March 9, 1995, is by and among American Oncology Resources, Inc., a Delaware corporation; AOR Management Company of South Carolina, Inc., a Delaware corporation; Hematology and Oncology Associates, P.A., a South Carolina professional corporation; Reginald J. Brooker, M.D.; Gerald W. King, M.D.; W. Larry Gluck, M.D.; Mark A. O'Rourke, M.D.; and Jeffrey K. Giguere, M.D.

RECITALS

A. The parties hereto have executed and delivered that certain Master Transaction Agreement, dated and effective December 22, 1994 (the "Master Transaction Agreement"), and that certain First Amendment to Master Transaction Agreement dated and effective as of February 14, 1995.

B. The parties hereto desire to amend certain terms and provisions of the Master Transaction Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Definitions. Any capitalized term not defined herein shall have the meaning ascribed to such term in the Master Transaction Agreement.

2. Amendments to Master Transaction Agreement. Section 2.04(b) of the Master Transaction Agreement shall be amended in its entirety to read as follows:

> "At the Closing, AOR shall deliver to each Physician cash in the amount set forth opposite such Physician's name:
>
> | Physician | Cash Amount |
> |---|---|
> | Reginald J. Brooker, M.D. | [redacted] |
> | Gerald W. King, M.D. | |
> | W. Larry Gluck, M.D. | |
> | Mark A. O'Rourke, M.D. | |
> | Jeffrey K. Giguere, M.D. | |
>
> Payments of the cash amounts set forth above may be made, at the election of AOR, by delivery of an AOR check or by wire transfer to bank accounts designated by each of the Physicians."

3. Effect. This Amendment shall be effective only for the specific purposes set forth herein, and, except as modified by this Amendment the terms, covenants and provisions of the Master Transaction Agreement and the Loan Agreement are hereby ratified and confirmed and shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed this First Amendment to Master Transaction Agreement and Loan Agreement as of March 9, 1995.

AMERICAN ONCOLOGY RESOURCES, INC.

By: _____
Name: L. Fred Pounds
Title: Secretary

AOR MANAGEMENT COMPANY OF SOUTH CAROLINA, INC.

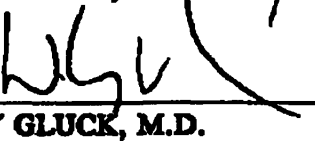
By: _____
Name: L. Fred Pounds
Title: Secretary

HEMATOLOGY AND ONCOLOGY ASSOCIATES, P.A.

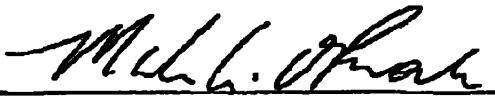
By: _____
Name: Jeffrey K. Giguere
Title: Vice-President

_____
REGINALD J. BROOKER, M.D.

GERALD W. KING, M.D.



W. LARRY GLUCK, M.D.



MARK A. O'ROURKE, M.D.

JEFFREY K. GIGUERE, M.D.